

**ESTIMATES COMMITTEE C**

Mr C. P. Cummins (Chair)

Mr S. W. Copeland

Mr G. B. Fenlon

Ms J. H. Jarratt

Ms R. G. Nolan

Miss E. M. Roberts

Mr P. W. Wellington

**EMPLOYMENT, TRAINING, YOUTH AND THE ARTS****IN ATTENDANCE**

Hon. M. J. Foley, Minister for Employment, Training and Youth and Minister for the Arts

**Arts Queensland**

Ms G. Catalano, Director-General (Acting)

Mr P. Willett, Executive Director, Strategic Policy Planning and Programs (Acting)

Mr R. James, Chief Executive Officer, Pacific Film and Television Commission

**Department of Employment, Training and Youth**

Mr J. Varghese, Director-General

Mr C. Robinson, Deputy Director-General

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The committee commenced at 8.30 a.m.

**The CHAIR:** I declare this hearing of Estimates Committee C now open. I welcome the minister, public officials and members of the public who are in attendance today. The committee will examine the proposed expenditure contained in the Appropriation Bill 2003 for the areas set out in the sessional orders of 30 April 2003. The organisational units will be examined in the following order: Employment, Training and Youth and the Arts, Industrial Relations, and Education. The committee has also agreed that it will suspend the hearings for the following breaks: morning tea, 10.00 a.m. to 10.15 a.m.; lunch, 11.45 a.m. to 12.45 p.m.; and afternoon tea, from 2.30 p.m. to 2.45 p.m.

I remind members of the committee and the minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. An extension of time for answers may be given with the consent of the questioner. A double chime will also sound two minutes after an extension of time has been given. The sessional orders require that at least half the time available for questions and answers in respect of each organisational unit is to be allotted to non-government members. Any time expended when the committee deliberates in private is to be equally apportioned between the government and non-government members.

For the benefit of Hansard, I ask departmental officers to identify themselves before they first answer a question. The proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In that regard I remind members of the public that, in accordance with standing order 195, any person admitted to a public hearing may be excluded at the discretion of the chair or by order of the committee. The sessional orders provide that a member of parliament who is not a member of the committee may, with the committee's leave, ask the minister questions.

In relation to media coverage of the Estimates Committee C hearing, the committee has resolved that still photographs and silent television film be permitted for the first five minutes of each department and the Arts. My final request is that if you have a mobile phone or pager would you please make sure that it is turned off, and if you have phone calls to make please do so outside this chamber. I now declare the proposed expenditure for the Department of Employment, Training and Youth and the Arts open for examination. The time allotted is three

hours. Questions will be directed to the Arts for approximately one hour, followed by Youth for approximately half an hour, and then the remaining organisational units in the department. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, do you wish to make a brief opening statement?

**Mr MATT FOLEY:** Yes, please. Let me acknowledge at the outset that we gather here on the traditional lands of Aboriginal people. The budget presented for the consideration of the parliament focuses on the government's commitments to jobs, to youth and to the arts. Last month the six-year target of helping to create 56,000 jobs through the Breaking the Unemployment Cycle initiative was reached a year ahead of schedule. The government will continue to build on its employment and training achievements with a record investment of \$877.3 million in the 2003-04 budget to produce a work force with the relevant skills needed to meet its economic and social goals. To achieve its goals the government is focusing on key priority areas, including education and training reforms and programs for at risk youth and indigenous Queenslanders. Partnerships between the Department of Employment and Training, Aboriginal and Torres Strait Islander communities and organisations in the public and private sectors have made a significant contribution to improving the quality of life for Queensland's Aboriginal and Torres Strait Islander peoples.

The department's 2003-04 budget includes \$784.6 million for vocational education, training and youth services. We are making a record investment in training delivery of \$577.7 million by Queensland's 15 TAFE institutes—an increase of \$24.8 million, or 4.5 per cent. A total of \$92.6 million has been allocated for employment initiatives, including \$82.9 million in grants and subsidies to help more than 15,000 job seekers who are long-term unemployed or disadvantaged in the labour market.

It is a terrible fact that there are 10,000 young Queenslanders aged 15 to 17 out of school, out of work and out of training. That is why the government has introduced its Education and Training Reforms for the Future. The department projects that some \$73.7 million will provide training and employment services to 15-to 17-year-old Queenslanders in 2003-04. Today I can announce that 300 at risk teenagers will trial a new \$1.6 million employment program aimed at helping them avoid long-term unemployment. I table details of that funding and the trial areas to which they relate. Coordinated through the Get Set for Work program, it will operate in all seven areas now trialling the Queensland government's Education and Training Reforms for the Future.

We are also continuing to work to address skill shortages in industries where they are most needed. This includes directing further funding to the Central Queensland Training and Employment Strategy for upskilling and reskilling existing workers to support the multibillion-dollar industrial developments taking place in the region.

Let me turn to some aspects of the Arts budget. The Arts budget is a record budget of more than \$250 million to Queensland's arts and cultural sector. The \$260 million Millennium Arts project and the \$110 million Queensland Heritage Trails Network, done in cooperation with the Commonwealth government, has supported over 50 capital projects in regional Queensland. \$15 million has been allocated in the Millennium Arts project for the development and implementation of regional initiatives to ensure that Queenslanders in regional centres have access to quality arts and cultural infrastructure. I note in particular that the Millennium Arts project will support thousands of jobs in the state's construction industry. Some 2,600 jobs will be supported during the construction of the cultural centre. This will include training opportunities such as apprenticeships and traineeships.

The arts infrastructure that is being constructed over this period is the greatest boost to arts infrastructure in a generation in Queensland. It is significant, moreover, because it is focused not merely on south-east Queensland but on projects right throughout regional Queensland. This reflects the government's belief that the cultural richness of Queensland derives in part from its geographic and cultural diversity which comes from having a decentralised population. I table for the benefit of members of the committee some supplementary material to the answer to question on notice No. 2 from non-government members, part 1.

**The CHAIR:** The period for questions will commence with non-government members.

**Mrs SHELDON:** I refer to MPS 2-1, Strategic Issues. I note the Queensland government will invest nearly \$8.2 million in film and television production through the Pacific Film and Television Commission. I note also the Victorian government's drive and substantial investment in film and television is reaping rewards to the detriment of our Queensland industry. I think it should be

noted that both Queensland and Victoria operate under the same federal tax system. I would like to cite a *Courier-Mail* article of 14 June which stated that Steve Bracks was wooing film and television companies to set up in Victoria. One of those wooed companies was the recipient of an \$800,000 grant from PFTC. I ask: what are the selection criteria for grants under the PFTC? Is there a guarantee that this will advantage Queensland industry and our economy by enhancing Queensland talent and Queensland expertise? Further, if a company receives a substantial investment of funds and decides to relocate to another state, is there a requirement that funds are returned and therefore recycled to a worthy Queensland recipient?

**Mr MATT FOLEY:** I can assist the committee by clarifying that there is no exodus of production companies from Queensland. In fact, Coote Hays has not relocated to Victoria. Rather, it recently filmed the miniseries *Salem's Lot* in Victoria due to the nature of the script and its location needs. The PFTC is in negotiations with these and other production companies about future projects to be filmed in Queensland. The Queensland industry is being maintained despite a recognised nationwide downturn in production, with Queensland's domestic industry generating \$32.5 million in production expenditure during 2003-04. Over the last four years there has been an average of \$34 million in production expenditure in Queensland. In 1992 the domestic industry generated just \$2 million in production expenditure.

In relation to the conditions of the grants from the PFTC, as the honourable member would be aware, those are based on employment and based on production taking place here in Queensland, and they are carefully monitored and enforced by the PFTC. May I mention two other aspects which impinge on that? Firstly, I thank the member for Caloundra for her interest, because without the government investment of an \$8 million loan, opposed by the National Party, to Warner Roadshow at the Gold Coast we would not have attracted the major production *Peter Pan*. The attack made on the government for that by the then opposition was unfortunate, because the importance of that to jobs on the Gold Coast is extremely significant. Having visited the set of *Peter Pan* and seen the work being shot there on the sound stage, I am absolutely convinced that that was a very worthwhile investment.

Secondly, however, there is a real issue about TV production going offshore to New Zealand, Canada and Eastern Europe. I call on the Commonwealth government to introduce the 12.5 per cent tax rebate for TV production that is available to large-scale film production. I hope that the Liberal and National Party in Queensland will join with me in pressuring the Commonwealth government to introduce that policy to boost jobs in the TV industry in Queensland, because that is the bread and butter of day-to-day employment for so many in the film and TV industry.

**Mrs SHELDON:** I refer to your response to question on notice No. 5. I note that *Big Brother* has been the recipient of incentives to the value of over \$400,000 over the past three years. How many jobs for Queenslanders, such as lighting/sound technicians, productions assistants, set designers and so on, were created through these incentive payments, as this is a commercial enterprise? In what areas of industry have these jobs been created? I would like specifics, please?

**Mr MATT FOLEY:** Yes, *Big Brother* has received some considerable assistance. I have to say it has been a runaway success in terms of generating jobs. The Pacific Film and Television Commission attracted the *Big Brother* series to the state against competition from New South Wales. The series is supported through loans provided to Southern Star Entertainment from the Revolving Film Finance Fund in the amount of \$2.5 million. Through the PFTC, *Big Brother* is entitled to apply for a cast and crew rebate and the payroll tax rebate, as is any other production company planning a substantial production in Queensland. Guidelines for these funding schemes are provided to applicants and are publicly available on the PFTC web site and in corporate documents.

Basically, the level of assistance provided to a company depends on two factors: the number of Queensland jobs and the money spent in Queensland. Both those factors are audited. One is an internal audit conducted by the PFTC. The second audit is carried out by a firm appointed and paid for by the production company involved. In 2002-03, *Big Brother*, including *Big Brother Celebrity*, received \$100,000 in cast and crew rebates from the PFTC—an average amount for a series of this size. Previous *Big Brother* series have received similar amounts. *Big Brother* generates considerable tourism expenditure in the state and provides training opportunities for Queensland film and television students. I note, though, that a number of other television series are not being shot here anymore—for example, *Beastmaster*, which provided a lot of jobs on the Gold Coast, and *The Lost World*.

**Mrs SHELDON:** I am sorry to interrupt, Minister, but I did ask for specifics of the jobs created and how many there were.

**Mr MATT FOLEY:** I thank the honourable member for the question. The significance is that without *Big Brother* the loss of jobs would have been devastating for the Gold Coast. The impact of *Big Brother* for sustaining those TV jobs is significant, but it does not detract from the essential problem that TV industry jobs are in peril unless that 12.5 per cent tax rebate from the Commonwealth is forthcoming. I am told that the *Big Brother* series supports about 320 jobs.

**Mrs SHELDON:** In what areas?

**Mr MATT FOLEY:** In a whole range of areas; in the actual filming of it, the sound engineers, the post-production material, the catering. There are jobs across the whole spectrum of activities associated with the show.

**Mrs SHELDON:** I refer to MPS page 2-7 at 'Output performance' and assistance to the arts, Arts Queensland and management of the government's two per cent Art Built In program. I refer to a question on notice and associated response and note that completed art projects to date are valued at only approximately \$4.6 million. In 1998, stated government policy outlined that two per cent of the total value of public building projects will be committed for public art and the animation of public space, involving annual expenditure of \$15 million. If the government policy was implemented in full some \$75 million would have been expended on art projects and not a mere \$4.6 million. What has been the cause for this failure to deliver on government policy? What remedial steps are you taking to improve the result for Queensland artists?

**Mr MATT FOLEY:** With great respect, Mrs Sheldon, I think that you misrepresent the answer to the question on notice.

**Mrs SHELDON:** No, I do not; it is actually in the detail.

**Mr MATT FOLEY:** What you have referred to as the \$4 million does not make reference to the active projects of \$15 million that are set out in the answer to the question.

**Mrs SHELDON:** With all due respect, I did say completed projects of \$4.6 million. I assume 'active' are those still in progress. Certainly, the total by your figures was \$4.6 million out of \$15 million for, I assume, one year. It is \$4.6 million in total over five years.

**Mr MATT FOLEY:** The policy we promised is the policy we have delivered. It was a policy of two per cent for public art. We lead the nation in that policy. We were moved to implement it because of the lack of a comprehensive public art policy prior to the establishment of our government.

**Mrs SHELDON:** Correction, the public art policy was actually mine. With all due respect, there was not a percentage but it was my policy.

**Mr MATT FOLEY:** I appreciate this fireside chat that we are having, Mrs Sheldon, but I guess I labour under the fond belief that I am supposed to answer your questions—

**Mrs SHELDON:** True, you are.

**Mr MATT FOLEY:**—and not have a general chat about it. I am perfectly happy to adopt this dialogue. The simple fact of the matter is that we promised a policy of two per cent for public art and we have delivered it. As a result of that policy, many people have obtained jobs in the area of public art. Indeed, the answer to the question on notice sets out the figure of \$15,637,118 spent on active projects in accordance with this policy. The policy is leading Australia. We are very proud of the policy and its implementation. It has meant that people right around Queensland have obtained jobs in a whole range of areas—such as in remote Aboriginal communities where courthouses have been established, in the new Magistrates Court building which is being constructed, in the government building in Cairns. Some 641 short-term jobs have been generated, 268 of which have been contracted to regional Queenslanders. I welcome the fact that Mrs Sheldon claims credit for the policy because imitation is, after all, the sincerest form of flattery.

**Mrs SHELDON:** True. I would just like you to fully fund it. In the MPS at page 2-19 under 'Statement of financial position' under equity reserves I note that the asset revaluation reveals a significant increase from \$9.316 million to \$76.989 million and is estimated to be \$88.145 million in 2003-04. Explanatory note 6 states that the increase in the reserve is due to the revaluation of the Queensland Cultural Centre and the land held by Arts Queensland. Does this revaluation reflect a realistic market value? If so, what impact will the increase in valuation have on the department's equity return to Treasury?

**Mr MATT FOLEY:** The answer to your question is, yes, that revaluation was done independently. The increase in reserve is due to the revaluation of the Queensland Cultural Centre and land held by Arts Queensland. The relevant equity return arising out of it is funded by Treasury.

**Mrs SHELDON:** Do you know what the percentage will be?

**Mr MATT FOLEY:** The details of what?

**Mrs SHELDON:** What your equity return will have to be.

**Mr MATT FOLEY:** It is normally six per cent of the value of the asset.

**Mrs SHELDON:** In the MPS at page 2-3 under 'Departmental outputs', what assistance are you providing to the Queensland Youth Orchestra? Given that the Youth Orchestra reside rent free in the old Queensland Museum building, have you entered into discussions with the orchestra and the RNA to ensure that their accommodation and rehearsal space will not be compromised in any proposed RNA development?

**Mr MATT FOLEY:** The Queensland Youth Orchestra will receive \$85,000 from this budget, which is a continuation of the funding it received previously. I join with you in acknowledging the importance of the Queensland Youth Orchestra. Indeed, I have had the pleasure of attending the major competition they held. In connection with that I had a discussion with them about the issue of refurbishment of what was originally the exhibition building but which is now known as the Old Museum. I assure you that in planning for the future of that site their needs will be well and truly taken into account. They raised with me the question of whether further refurbishment could be done to enhance the gallery area overlooking the studio. It is a very fine orchestra. I had enormous pleasure in attending their subsequent function to honour John Curro and his magnificent contribution to the Queensland Youth Orchestra over many years.

**Mrs SHELDON:** I would like to support you in that statement.

**Mr MATT FOLEY:** Thank you, Mrs Sheldon. I know this is an area where you have a strong concern and interest. I know you support the Youth Orchestra. They appreciated your efforts as Arts Minister to assist them with overseas travel and that sort of thing. We share that view. I must say that view is also shared by a number of leading musicians from around the world who came back in order to participate in that marvellous concert that John Curro held. The Old Museum site is particularly interesting. It houses the Youth Orchestra and the Youth Choir. It is obviously very central. It has a good deal of potential in the area of youth arts, but it is a very expensive site to maintain and develop. The Queensland Youth Orchestra certainly has pride of place and we regard it very highly.

**Mrs SHELDON:** My next question refers to MPS 4-3 under 'Future developments'. I refer to the Gallery of Modern Art. What amount of new recurrent and capital funds are anticipated to be expended each year in developing the collection for the new Gallery of Modern Art and what will be the key features of the Gallery of Modern Art?

**Mr MATT FOLEY:** The details of the capital funding are set out in the budget papers.

**Mrs SHELDON:** I am talking specifically about new works.

**Mr MATT FOLEY:** I am happy to take you through it. With regard to recurrent funding, in broad terms in last year's budgets the art gallery received a 40 per cent increase from roughly around \$10 million up to roughly around \$14 million. This year it went up another \$900,000 or just under a million dollars. In terms of the increase specifically attributable to the Gallery of Modern Art, in last year's budget it was \$3,850,000 and in this year's budget it was \$4,760,000. The reason we have spent money of that kind is to ramp up funds for the gallery so as to ensure that when it opens in 2005 it will be a gallery of world-class standard.

The forward estimates set out in the budget are as follows. This year the figure is \$15,126,000, for 2004-05 the figure is \$16,554,000, for 2005-06 the figure is \$16,901,000 and for 2006-07 the figure is \$16,901,000. That funding is to ensure that that project is able to take its place as the largest Gallery of Modern Art in Australia. We believe it will be the best Gallery of Modern Art in Australia. It will have a particular focus on children's art, on Indigenous art and on the art of the Asia-Pacific. But the children's art gallery will hold pride of place near Kurilpa Point opening on to a grassed area which will be a magnificent place for children and families to go to participate in the arts.

**The CHAIR:** The time allocated for questions by non-government members has expired. I call on government members to ask their questions.

**Ms NOLAN:** I note that the Creative Queensland cultural policy includes a focus on boosting training and employment opportunities particularly for young people in the cultural and creative industries. Can you tell us what measures have been taken in this regard?

**Mr MATT FOLEY:** Yes, I thank the honourable member for the question. If we go back to the starting point that it is a scandal that 10,000 young Queenslanders aged 15 to 17 are out of school, out of work and out of training, we need to change our schooling systems and our training systems, but we also need to change our arts and cultural systems to make sure that we reach out to young people. Some of them will be students who want to go on to university, or go through the trades, or go into vocational education of another kind. Others of them may be like the old rock and roll song *Johnny Be Good*, who never ever learn to read or write so well but could play a guitar just like ringing a bell. We have to make sure that we have programs through Q-Music or through other contemporary music or contemporary arts organisations that reach out to people in a fresh way.

That is why we established this partnership called the Smart State Investing in Cultural Enterprises between Arts Queensland and the other part of the portfolio, the Department of Employment and Training. This new partnership has already delivered training opportunities in a range of areas: business marketing and project management skills, galleries, museums, sporting and cultural events and community radio for volunteers and training for established artists to assist them to contribute to promote festivals and events. These are all, I should say, areas which either have been delivered or will be delivered through the training programs.

The programs are designed to provide skills in the areas of technology and creative arts, animation, digital arts and film and video production. There is an enormous potential for growth in these industries. Over the last decade we have seen jobs growth in the arts and creative industries in Queensland running at seven per cent per annum. That is well ahead of economic growth and certainly well ahead of broad employment growth. So arts means jobs. While the essence of artistic policy is its cultural vibrancy, it is nonetheless very important to link it with training and employment—things like business and marketing, copyright and intellectual property, script development and project management. You need only to go down to the Gold Coast to see how important the film and television industry is for young people.

We are increasing transitional support programs for young people to assist them to move from study to work—for example, mentoring—and I pay tribute to the Youth Arts Mentoring program. It is a wonderful program. Industry induction and management skills training is also being developed so as to make sure that we have real opportunities. If people get a chance to go down to the Judith Wright Centre in the Valley and have a look at the transit lounge creative industries resource, I think that that will provide an insight into the opportunities that will be available.

**Ms JARRATT:** Page 2-1 of the MPS refers to the \$260 million Millennium Arts project. I note in answering a previous question that you referred to the importance of this program to regional Queensland. Could you advise as to the status of these projects and particularly the impact on regional Queensland?

**Mr MATT FOLEY:** The honourable member, I suspect, is being terribly disingenuous, because she attended with me on the last full moon in autumn the opening of the extension to the Proserpine museum—a moment, I should say, of great poetic significance given the ancient myth of Proserpine. It was rumoured in Proserpine that Mount Pluto was particularly joyous on that occasion. That is an example of the Millennium Arts regional program. It is about trying to make sure that art is not something which is cloistered away in the winter palaces of the capital city. It is about trying to ensure that it is at the Cooloola shire public gallery, or the Gympie gallery where we had a terrific opening a couple of months ago—an absolutely wonderful facility—or the Rockhampton Customs House interpretation project where \$1 million went in. At Yarrabah near Cairns the arts and crafts village is particularly good from the point of view of ceramics excellence but also from the point of view of generating jobs.

We spent \$2 million at the Logan Cultural Entertainment Centre—a world-class cultural and entertainment facility—and funds were spent at the Warwick Art Gallery, there was some minor upgrading at the Mount Isa Regional Gallery and funding for the Mourilyan Sugarama Gallery at Innisfail. Recently, I visited Gladstone to inspect the construction of the new extensions to the art gallery. There is a major project—\$2.7 million—for the Cairns centre of contemporary art. Just a couple of weeks ago I had the terrific opportunity to go to Mount Morgan to open, together with the Commonwealth representative, the Mount Morgan Experience, which was completed with an

allocation from the Millennium Arts regional initiative working in conjunction with the Queensland Heritage Trails Network.

The point is that this opportunity to make a real difference with arts infrastructure is too important to be left to the capital cities. We must make sure that the most decentralised state in the Commonwealth celebrates its regional and cultural diversity. That is what this massive building program is all about. I am very pleased with the strong support of local communities, including the community of Proserpine that you have the honour of representing.

**Ms JARRATT:** The Regional Arts Development Fund is a key plank in Arts Queensland's support for arts development in regional Queensland. Can you advise as to what this program provides and what the Creative Queensland policy provides for regional Queensland?

**Mr MATT FOLEY:** The Regional Arts Development Fund provides \$3 million a year, which is provided by the state government and is part of a partnership with local government out of which a further \$1 million is obtained. So \$4 million a year goes into local projects. This has been a very successful program. I pay tribute to the Hon. Wayne Goss, the finest Arts Minister Queensland has ever had, who introduced this program in the early 1990s and it has grown since then. It is about nurturing the arts at the local level and about getting local government involved. It has meant that, if a group in Cairns wants to do an anthology of local poets, they can apply to the local committee to get funding.

It means, for example, in Monto, which I had the pleasure of visiting a couple of years ago, projects like the mural on the town reservoir of the Three Moon Creek legend can be done. It means, for example, that the Monto Independent Community Ensemble—the MICE, as they are called—can be commissioned to write a new piece of music. In that community, I well remember the speech given by the mayor, which was at a time of great adversity with the deregulation of the dairy industry and people losing jobs. He made the point that it was at that very time that one needed to celebrate the arts and to come together as a community. That is what the Regional Arts Development Fund does.

It also includes a component called the Indigenous Regional Arts Development Fund, which works specifically with indigenous communities to assist in developing and nurturing those programs. The Creative Queensland document sets out a range of other matters like the online training programs through the redeveloped State Library of Queensland and ongoing support for festivals statewide. Tomorrow morning, as the sun rises over the Tree of Knowledge in Barcaldine, the Premier and I will have the honour of opening the new Queensland Biennial Festival of Music.

**Mr Purcell:** Hear, hear!

**Mr MATT FOLEY:** I thank the member for Bulimba, who has been a strong supporter both of the Workers Heritage Centre at Barcaldine and of our involvement and engagement with regional Queensland. No more powerful and symbolic story could be told of the history of the Queensland community than the story around the Tree of Knowledge at Barcaldine. That festival will speak to the people of Winton through a musical fence. It will speak to communities right around the state.

**Mr FENLON:** Could you advise of what support has been provided through Arts Queensland for contemporary music? I am referring to contemporary music as music that exists in the commercial marketplace or is intended to do so, particularly to create jobs. Could you inform us of what music grants have been provided in the Greenslopes area?

**Mr MATT FOLEY:** I thank the honourable member and I note Mr Fenlon's very keen interest and support of young people and their engagement with contemporary music.

**Mr FENLON:** And the not so young as well.

**Mr MATT FOLEY:** Yes, I note that those young people have not been put off a career in music by the performance of the honourable member, together with the member for Yeerongpilly, at the Wellers Hill State School fete. I suppose for that reason we needed to provide funding to encourage them. Perhaps I should not say that that is entirely the only reason.

Arts Queensland has provided \$551,318 in 2002-03 to music projects, organisations and initiatives through a number of funding programs. The support was provided through \$113,338 in project grants, \$100,000 for the music business advisory service, \$80,998 through the Arts Queensland youth programs and \$257,000 in operational funding for organisations like the Elision Music Ensemble and Q-Music. Funding to the Greenslopes electorate for contemporary music includes a grant of \$20,000 to Compost Composers towards the costs to compose 10 new musical works and \$10,000 to the Music Broadcasting Society of Queensland Ltd towards costs to mount a youth component of a music festival. Other examples of contemporary music grants

given through Arts Queensland include \$3,644 to Floodboy towards costs to involve Queensland musicians in recording and producing music; and \$4,700 to Cloudland to further develop and expand the audience base for Brisbane alternative original music group, Cloudland, by producing a marketable product to promote, distribute and tour original alternative music throughout Queensland and Australia.

In my experience, too, music can be very important through the programs that we offer in TAFE. Having been involved with some of these youth access programs that we run for kids at risk down at the Gold Coast, I have seen young people who were really at risk of being completely ousted from education training and employment opportunities reconnect through their involvement in music and I have been greatly heartened at that. It is crazy that we are a net importer of musical product. We should be a net exporter of it. We have to do what we can to support people in that endeavour. We have Powderfinger, we have George; we have excellent examples of people making a success of it.

**The CHAIR:** The government released the Creative Queensland cultural policy in October 2002. Could you advise the committee what progress has been made to date in its implementation?

**Mr MATT FOLEY:** Yes, we have done a number of things. We announced the Queensland Creative fellowships in partnership with three universities. They have been recently awarded to leading playwright Jill Shearer, to dancer and education researcher Dale Johnston and to indigenous writer and community leader Samuel Watson. We announced a young artists cluster space initiative and that has been implemented in the Judith Wright Centre in the Valley in partnership with the Department of Employment and Training. We announced an initiative called Poetry on the Move, which is a terrific initiative designed to give young people and children a chance to write poems and to have their poems displayed on the buses. Together with the Education Minister, Anna Bligh, I launched that at the Bardon State School a couple of months ago. That is a way of encouraging poetry and doing it in a way that is in cooperation with schools.

Other things that we have done to implement it include a new CD-ROM developed with the Charters Towers City Council providing self-paced accredited customer service training modules for cultural tourism businesses and we have released a book titled *Discovery Guide to Outback Queensland* for the Queensland Museum that showcases the richness and diversity of outback life. Together with the Department of Public Works, we have appointed a curator for public art across the government.

The central idea of this policy is that it is a whole-of-government policy. To implement this we have had to work with government departments as far flung as the Department of Public Works, the Department of Corrective Services and the Department of Housing—right across the spectrum. The idea of a whole-of-government cultural policy is a novel one, but it is a very important idea, because culture is too important a matter to be left simply to Arts Queensland. It is a matter of the kind of society that we want to have, the kind of government we want to have.

The spirit of the document is very ambitious, but the implementation of it has been quite active in those areas that I have mentioned. We are seeking to ensure that all departments across government see the importance and significance of it, whether it be State Development and Trade or the Department of Public Transport, with its public art on busways. We are developing a cultural export strategy and so on.

**The CHAIR:** Minister, earlier in response to a question from the member for Caloundra you mentioned some issues about federal tax. Page 2-1 of the MPS refers to the state government's \$8.2 million investment in film and television. What have been the outcomes of this investment for Queensland? Does the federal tax offset ruling help or hinder production in Queensland?

**Mr MATT FOLEY:** We have a firm commitment to the development of a strong and vibrant domestic film industry. Last year the PFTC allocated 232 grants and investments totalling \$5,825,287.67. The expansion of the Warner Roadshow movie studios at the Gold Coast, for which we were criticised by the National Party, has generated more than 4,500 jobs in Queensland. It is estimated to have an economic impact of \$640 million over three years in this state. In the last year alone in Queensland the economic impact generated by large-scale production of the studios was over \$378 million, based on the ABS output multiplier for 1996-97 for film and video production and distribution of 3.05.

In relation to the construction of those two sound stages, which was the particular matter for which we were criticised, the production offices and construction workshops were completed in November 2002 and officially opened by the Premier and me. The expansion increased the floor



space of the studios by 50 per cent, making it one of the largest facilities in the Southern Hemisphere. Since the opening of the expansion the studios have been fully occupied, hosting some big name feature films, including *Peter Pan*.

The federal government's 12.5 per cent fundable tax offset for feature films is something we welcome. I thank the Commonwealth government for that initiative, which has been a significant boost to the production of big-budget foreign films in Australia. However, this is a very competitive marketplace that we are dealing with. The problem is that the offset does not apply to large budget television series or to the bundling of telemovies and straight-to-video films. Episodic television and telemovies are the staple of Queensland's international film production industry. Earlier I mentioned shows such as *Beastmaster* and *The Lost World*. You only need to go on site of those projects to see the huge number of people employed. They are employed not as a one-off thing; they are employed on a regular basis over many months.

In the last year alone, foreign television productions worth \$100 million have chosen not to come to Australia, preferring nations such as Canada, New Zealand and the Czech Republic. I do call on the federal government to act now to introduce that tax rebate for the television industry.

**The CHAIR:** The time allocated for questions by government members has expired.

**Mr WELLINGTON:** Good morning, Minister. Minister, I note we have what appear to be many, many public servants here in support of your answers to our questions this morning. I think I counted almost 50 people who are very smartly dressed—in a very public servant fashion, I suppose. Can you or your departmental staff identify who is here or where they are from?

**Mr MATT FOLEY:** Yes. I am happy to do that. I must, with respect, correct the foundation of your question. I am sure that they are here not merely to hear my answers but also to hear your questions and to participate in the process of democracy and the accountability of the executive to the parliament.

Broadly speaking, we have some of the finest and brightest minds in Queensland here present from my Department of Employment and Training. I see my director-general and my deputy director-general. I see officers from the TAFE sector; the senior officer in charge of the Employment Initiatives Program, which administers Breaking the Unemployment Cycle; and officers in charge of the Strategic Directions Program, which basically helps to plan policy within the Department of Employment and Training and at a national level for other departments of employment and training. I am not sure if we have any representatives of the agricultural colleges here today. As you know, there are four agricultural colleges that are part of this portfolio.

Within the arts part of the portfolio, my acting director-general is here, along with a number of her senior officers. May I say to both directors-general and to all of the senior officers here present: I extend my thanks to them for the very considerable work that they have done in order to properly prepare thorough answers to the questions that the parliament, through this committee, puts. There are officers here from the Queensland Art Gallery, from the Queensland Museum, from the State Library, from the Queensland Theatre Company and from the Queensland Performing Arts Trust.

I thank you for the question, because most people do not realise just how broad and diverse these two portfolios are. They bring together people from a wide range of areas and activities. On paper we are looking at appropriating a budget, put together, of a bit over \$1 billion. I have to assure you that these people who are sitting behind me are spending the money that the parliament makes available to them in a very wise and fruitful way.

**Mr WELLINGTON:** The reason for the question is that it seems to me, by and large, that you seem quite able to answer most of the questions that to date have been put to you. Many people in the third, fourth or fifth row back seem to be observers. Coming from a private enterprise perspective, where time management is paramount, I am just wondering who is doing the work of these senior public servants while they are sitting here providing support to you in the questions that are being put to you. Are there any guidelines or principles to decide who actually comes to these public hearings or is it simply up to your senior department staff to say, 'We will come along Thursday morning to sit in parliament and support the minister if he needs our assistance'? Are there principles or guidelines there to decide who comes and who does not come?

**Mr MATT FOLEY:** I think it is just a matter of commonsense. May I say, they are doing their duty right now. They are doing their duty, because accountability is part and parcel of their duty. I have no problem with these officers being here. It is a matter for the directors-general and for the heads of each of the statutory agencies as to who they particularly want to be here for, in the

case of the arts community, only an hour. In the case of the Department of Employment and Training people, they will be back doing their normal duties by lunchtime.

I would ask you to resist the temptation to be critical of their attendance. This is an important part of the parliamentary process. Many officers, both in the department and in statutory agencies, find our processes of government mystifying. They do not understand, like you do, what a fine and noble thing the parliamentary tradition is and how accountability works. They gain an insight into that by coming along here. They also realise that when I am asked questions, to give an account of the money that is made available by the parliament to be spent through the Queensland Theatre Company or the Queensland Performing Arts Trust for example, I have to be able to answer. For example, Mr James is here to respond in the event that I have occasion to ask him for further detail about the Pacific Film and Television Commission. Last year Mr Copeland asked a whole range of questions which went to matters of great detail which I could not possibly have. That is why he is here.

**The CHAIR:** The first 20 minutes has expired. There is 10 minutes remaining, which will be shared. Five minutes has been put on the clock. I call a government member, the member for Ipswich.

**Ms NOLAN:** Minister, page 3-2 of the MPS refers to the establishment of indigenous knowledge centres. Can you tell us what this initiative has achieved?

**Mr MATT FOLEY:** Indigenous knowledge centres are another way of speaking of libraries. It is terrible, in my view—absolutely terrible—that we still have many indigenous communities in Queensland that do not have public libraries. I am doing my level best, and the State Library is doing its level best, to fix that. It is just unacceptable that we have a situation where people grow up without access to a library in the way that every country town in Queensland and throughout Australia has come to know and expect. It must be fixed. For that reason, over a number of years now I have ensured that funds were available to address it.

I have been with the State Librarian and chair of the Library Board to places like New Mapoon, Lockhart River, Erub or Darnley Island and other Torres Strait islands. Basically, it is just about providing a library. It may be astonishing to many people to learn that there are children growing up here in communities that do not have libraries, other than the school library. It is not acceptable and it has to be fixed. I have made that very clear to the State Library.

I pay tribute in that regard to the work of Jackie Huggins, who is the person who served on the Library Board for quite some time and who really drove this home to us and made us realise just what a scandal it was. The State Library is going hammer and tongs to tackle it. It is working in conjunction with those communities. What it means in plain terms is that they work with the local community, find a facility, give them some money to help set it up and try to make arrangements to keep it going. At Yarrabah, for example—we restarted the community library—all of the kids were gathered around the computer, having a look on the Internet, at a family history which had been put up there. It means accessibility to CDs and to music. It means access to videos. It means, of course, access to books.

When I was on Erub or Darnley Island, it became apparent to me that numbers of people there simply had no way of accessing up-to-date newspapers. Just having the Internet facility in the public library there meant that they could call up the *Courier-Mail*, the *Australian*, the *Guardian* or the *New York Times* and read them. Those efforts are very important to make sure those people get a fair go.

**Ms JARRATT:** Minister, on page 2-4, 2-8 and 2-9 of the MPS you refer to the department's programs for young people in the arts. Could you please advise what the programs provide and also highlight funding through the Arts portfolio to the Whitsunday electorate?

**Mr MATT FOLEY:** I think one of the lessons we have learned in recent years is that we have ignored children and young people in the arts. The arts can easily become the province of older generations. That is not good. It should not be that way. Children and young people have a right to access to the arts. Equally, they have a right to have their creativity recognised and to make that contribution.

In some ways we could see Queensland positioning itself as a world leader in children's art. Things like the Out of the Box children's festival are a good example. There is the new children's art gallery in the Gallery of Modern Art that art gallery director, Doug Hall, and chairman, Wayne Goss, have worked hard to develop. We set out in the Creative Queensland document a range of initiatives for children and a range of initiatives for young people, including those that I have

mentioned about the school to work transition. I did not get to Whitsunday, but we got there before.

**The CHAIR:** The time allotted for the consideration of estimates of expenditure for the arts has now expired. The committee will now move to examine matters relating to youth.

**Mr COPELAND:** Minister, thank you for all of your staff who have taken the time to appear today. I know a lot of work goes into the preparation and detail of these committee hearings. Again, I reiterate the comment I made last year about the Office of Youth Affairs. I would like to see it as a separate line item within the budget.

**Mr MATT FOLEY:** I take on board your observations. I have some sympathy for the point that you made and I accept that it was made in good faith. Broadly, we are operating within the existing Treasury guidelines where we reported as part of a department, but I accept that you make that point in good faith.

**Mr COPELAND:** I understand that, Minister. Given that, would you be able to outline how much it cost to run the Office of Youth Affairs for the 2002-03 year and whether that was above or below budget and how it compares with the 2003-04 budget for that office?

**Mr MATT FOLEY:** I am just getting those details now. The budget for the Office of Youth Affairs for 2000-01 was \$3,323,830; for 2001-02, \$3,475,100; for 2002-03, \$3,717,700. For 2003-04 it is \$3.339 million.

**Mr COPELAND:** Could we have those numbers detailed so we have them clear in *Hansard*? Would that be possible?

**Mr MATT FOLEY:** I have read them into the record. If *Hansard* has any difficulty with it, we will clarify it.

**Mr COPELAND:** Thanks, Minister. What number of employees operate in that office and how has that compared to the last two years?

**Mr MATT FOLEY:** In 2002-03 it is 30.4; 2001-02, 31; 2000-01, 28.2. So it has been reasonably stable.

**Mr COPELAND:** I note that there are only two measures related to the direct performance of the Office of Youth Affairs, that being the number of people participating in the Duke of Edinburgh Award scheme and the number of young people participating through the Youth Participation Strategy. Why is the Duke of Edinburgh Award scheme used when there are so many other activities for young people? How is the Duke of Edinburgh Award scheme used particularly to measure youth participation in government decision making? Can inactive members of the Duke of Edinburgh Award scheme be counted as being a measure of youth participation in government?

**Mr MATT FOLEY:** It is an area where in good faith the department tries to provide quantitative numbers for budget material. So much of the work that happens here in terms of participation of young people in government is very difficult to quantify. For example, with the youth participation grants that go out to a wide range of communities, there is absolutely no way to say how, for example, the party in the park at Moorooka, which was funded last year, attracted X number of young people. I guess in that particular program there are some numbers that they can measure and report. It is just a case of trying to ensure that through the Duke of Edinburgh program they attempt to quantify it. But it is very hard in this area because we are talking about youth participation, which is in many ways a qualitative as much as a quantitative phenomenon.

**Mr COPELAND:** I want to talk specifically about the Duke of Edinburgh Award scheme, which I think is a fantastic scheme. I was a member of it myself. Having been a participant in it, I cannot see how that in any way relates to young people's participation in government process, to be honest. I received a number of awards through the Duke of Edinburgh scheme in my younger days—

**The CHAIR:** There are obviously some fine examples coming through.

**Mr MATT FOLEY:** Perhaps we should redefine it to youth participation in public life, because I am not sure that I would necessarily want to encourage the honourable member to be participating in government too soon!

With these measures for participation in public life—for example, the Youth Parliament that you and I attended the opening of the other day—we provide funds for that. That is not participation in the machinery of government in the sense that those young people do not particularly operate in the development of policy in the way that the State Youth Advisory Council

does. Nonetheless, it is a good way of getting to know the ropes, getting to know the system, getting some opportunity for advocacy and for self-awareness. As you know, the Duke of Edinburgh Award scheme is a self-development program that focuses on leadership and life skills for young people aged from 13 years and nine months to 25 years.

**Mr COPELAND:** Minister, moving to the second measure that is counted on MPS 1-26, the breakdown of 64,000 young people participating in government decision-making processes through the Youth Participation Strategy—and you referred to this in your earlier answer regarding the Duke of Edinburgh Award—note 12 states that those things that are counted in that 64,000 are the State Youth Advisory Council membership, grants, membership of young people on boards and committees, unique user sessions of the GENERATE youth web site and the implementation of the youth charter in the department. Would you be able to provide a breakdown of those 64,000 young people across each of those categories?

**Mr MATT FOLEY:** I will take that on advice. Broadly, what is being dealt with there is a large number of hits on the GENERATE youth web site. That would be the lion's share.

**Mr COPELAND:** And that would skew the others; that would be my guess.

**Mr MATT FOLEY:** I think we have already answered the question really. Of the 64,000, 63,359 user sessions were recorded on the GENERATE youth web site, including 132 young people who engaged with government through online chats asking 55 questions relating to government policies and programs. There are 16 young people between 15 and 25 on the State Youth Advisory Council in 2003 and there were 15 in 2002. There are more than 70 young people represented on government boards and committees through the Get on Board initiative. Some 78 young people were in receipt of grants through the Yes!You program, funds totalling \$32,574.79. Those are grants of up to \$500 to manage activities and to increase their own participation and that of others in local communities.

There were two rounds of funding for youth participation grants totalling \$400,000 which were allocated to 41 organisations across Queensland for projects that increase young people's participation in their local communities. Funding of \$70,000 was allocated to support 72 National Youth Week projects, which included workshops and forums, publications, arts and cultural projects, and training activities. There are 86 youth parliamentarians in 2003 and there were 76 youth parliamentarians in 2002. So that gives you an idea of the breakdown.

In order to answer the material set out in the budget papers, that figure of 64,000 reflects, as I say, the lion's share being hits on the GENERATE youth web site, but equally there would be hundreds and indeed thousands of other young people who would be involved through the youth participation grants. It would be pretty counterproductive to set up the machinery to try to measure that. In the case of the grants of up to \$500, it would probably cost us \$1,000 to measure the number of people participating in those grants.

**Mr COPELAND:** I have seen those grants and they work on the ground. Could I just clarify: was that 132 young people in online chats on the GENERATE youth web site?

**Mr MATT FOLEY:** Yes, 132 young people who engaged with government through online chats and asked 55 questions relating to government policies. From time to time, we organise ministers to do online chats. I do a number of them as the Minister for Youth. The Education Minister, the Hon. Anna Bligh, has done some, as has the Attorney-General, Rod Welford, the Transport Minister, Steve Bredhauer, and a number of other ministers. Basically, what we try to do is advertise them on the web site so that a chat room is established and people can ask us questions—and frequently quite tricky questions.

The idea is to give people who have an interest in a particular area a chance to get it from the horse's mouth, as it were. We did at least one—perhaps more than one—on the education and training reform agenda. A number of young people were very much putting us on our toes in terms of what they wanted and expected out of the education and training reforms. In a way, they could do it through the anonymity of a chat room in a more forceful and blunt manner than perhaps they could if they were sitting in a minister's office or sitting in a parliamentary office. So those are ways and means of reaching out.

I think the strategy for youth participation is basically to try to fight on a number of fronts through the web, through grants to youth organisations and so on to try to create a climate in which young people can have their voice heard.

**Mr WELLINGTON:** My question covers both youth and employment and training. I have no doubt that you will be able to answer the question, irrespective of—

**Mr MATT FOLEY:** I thank you for your confidence, Mr Wellington.

**Mr WELLINGTON:** When I look at some of the courses that are offered for the youth through our TAFE facilities and I compare the costs of running the courses, either information technology based courses or building industry based courses, it seems to me there is a very clear difference in the fees that are charged for students who want to take those courses. Do you have a policy on ensuring equal access to courses irrespective of what area of work is covered—for example, information technology as against building? It seems to me that information technology is a cheaper course to run, easier to operate and they are cheaper and more affordable for young people, but building is just as important.

**Mr MATT FOLEY:** I thank you for the question. The short answer is that we direct funds to areas of strategic priority. Things like construction, like automotive areas and like manufacturing are areas of skill shortage. We direct funds there through what are called the profile arrangements in TAFE, which are the courses offered through TAFE and are publicly subsidised, and through the user choice courses and strategic priority or competitive funding.

Do we have a policy of equality of access? The answer to that in broad terms is that we want to achieve equality of opportunity for people from every walk of life and every background. That means that sometimes you have to spend more money on some courses than others. For example, our agricultural college courses all cost much more than running a TAFE course which costs more than doing it through private providers. The answer to that problem is not to get rid of agriculture colleges and TAFE colleges and to give it all to private providers. The idea is horses for courses. We do try very hard to respond to the point.

I am mindful that the time has run out, but with your indulgence, Mr Chair, it is a very important point because when we came to the user choice contract we found a problem in the area of some of these courses. For example, in some of the retail or sales courses which are cheaper to put on, which can be relatively easily put on, you have to be careful not to just allow all the money to go off into those courses because you then find yourselves with skill shortages in construction, in manufacturing, in some of the creative industries and so on.

The other point I would quickly make is that in some of the information technology courses many students—for example, students in the Diploma of Multimedia course—pay significant fees to do those courses. They regard that as an investment for their future and so on. The point to which you allude is a very important one. You have to be vigilant in the system lest the so-called competitive funding arrangements simply turn into a device for shovelling funds into the soft areas.

**The CHAIR:** The time allocated for questions by non-government members has expired. I call the member for Ipswich.

**Ms NOLAN:** Minister, the MPS refers to Queensland taking a leading role in the national agenda to ensure the transition of young people from school to work. How has this been done?

**Mr MATT FOLEY:** It has been done by trying to change the culture. It has been done by trying to spend money. It has been done by trying to change the institutions. I say again that the starting point is the scandal of 10,000 young people aged 15 to 17 out of school, out of work and out of training. Those people are not the schools' problem because they are not at school. They are not TAFE's problem because they are not in training. They are not the employers' problem because they do not have a job. We have to change that. That is why we have legislation. I do not want to go into legislative matters in this arena, but there is draft legislation up on the web for people to look at involving the raising of the school leaving age to 16 and the participation age to 17.

It means essentially working at the local level. It means that the people down at the Gold Coast get together with employers, TAFE colleges, schools and youth organisations to make these things happen. I have just announced some funding for the Get Set for Work program. We have trial areas across the state that are responsible for the development of what are called district youth achievement plans. This is a novel approach. It means that the local high schools, the local TAFE, the local private training providers and the local employers have to get together to form this district youth achievement plan. That will fit in with the student education and training plan of the individual. That is a bit of a cultural shock to some of these institutions. Some of these institutions are used to doing their own thing and not worrying about the rest. Others, on the other hand, have been doing spectacularly well. Take, for example, Goondiwindi, where the local high school did a brilliant job of increasing retention rates through the school based apprenticeships

and school based traineeships by working with the local cotton industry and working with local employers. By doing that they were able to make opportunities for those young people.

We are sending a message down there that that sort of cooperation is a good thing. We realise that the answers to these problems are not necessarily found. Notwithstanding the great wisdom of my director-general and deputy director-general, it is not going to be necessarily driven from the top. A lot of creativity is at the local level and at networks established at that level. What we need to do in terms of administrative arrangements is to make sure that they are supported and encouraged in that regard and that we direct our funding to new and flexible learning options and support measures to complement traditional schooling.

**Ms JARRATT:** Minister, page 1-19 of the MPS refers to an increase in the number of young people on boards and committees. How effective have they been, and is it the government's intention to expand the number of young people on boards and committees?

**Mr MATT FOLEY:** Yes, it is our intention and it is something that you have to work at. The total number of young people identified as being members of government boards and committees is 72. Sometimes people just assume a particular section of the community is not there and they need not be there. The court system is a good example of a system where for many years women simply were not thought of as worthy of appointment as judges or judicial officers. I am pleased to see that that has changed in recent years. Similarly, in the case of boards and committees, we need to do what we can to appoint young people. They are appointed to ministerial regional community forums, to agricultural college boards and to TAFE advisory councils, to the Women's Multicultural Advisory Board, the Queensland Heritage Council and rural industry liaison groups. We have a publication called *Getting young people on board: how government can engage with young people through boards and committees* to support the implementation of this commitment.

Information about the central register of nominees and how to nominate a potential candidate has been posted on the GENERATE web site, resulting in an increase in the number of young people who are nominees. We will continue to work at that and try to improve it. I table that document for the benefit of the committee. I note that the member for Ipswich is perhaps a good example of young people participating in one of the more important committees of public life—namely, the parliament of Queensland.

**Ms NOLAN:** I know it is not my turn to speak, but I had the opportunity when I was quite young to be involved in a number of community committees, and that was very valuable to me.

**Mr MATT FOLEY:** Very good.

**Mr FENLON:** Minister, the government's youth participation strategy is referred to on page 1-18 of the MPS. How important is the GENERATE web site to that strategy?

**Mr MATT FOLEY:** It is very important. It is one of the ways that young people feel comfortable in communicating. There are five main elements. There is the minister's online chat, of which I have spoken. There is legislation in the making, which provides opportunities for young people to have access to information with regard to proposed legislative changes. For example, during 2002-03 young people have been able to comment on nine pieces of legislation including adoption legislation, the Residential Tenancies and Other Legislation Amendment Bill, the Sports Drug Testing Bill and the Grammar Schools Act 1975.

Web discussion forums allowing young people to discuss issues of importance with other young people are part of it. This includes the Generator, a news and events bulletin board and a National Youth Week discussion forum. There is an email question facility which provides an opportunity for young people to ask questions of government departments in relation to government policies and programs. That has generated 55 questions. Perhaps we should try to encourage that a bit more. There is also the *What do you think about ...* brochure that provides departments with an opportunity to inform young people about government consultations, and opportunities have been provided for young people to be involved in consultations. Opportunities have been provided for young people to be involved in consultations relating to Education and Training Reforms for the Future, inquiries by the Parliamentary Travelsafe and the Legal, Constitutional and Administrative Review Committee, and the Smart State: Smart Stories project.

As we mentioned before, 61,529 GENERATE youth web site user sessions have been recorded. We have some activities planned including the distribution of a Teachers Information Kit to support the use of the GENERATE youth web site, to capitalise on emerging Internet knowledge and capability by forming strategic partnerships to enhance the GENERATE youth

web site and to repurpose the application of technology to enhance the effectiveness of the GENERATE web site as an interactive engagement tool.

In my experience, those online chats, although you can only get to a few at a time, are a bit like the business of doorknocking. From the outside everyone says, 'Well, doorknocking is a pretty slow way to get to people one by one and the online stuff is a way of getting to people, maybe a dozen or so at a time.' But when you are at someone's door they can ask you a question and you are on their space. They do not have to make any apologies for it. With the benefit of anonymity in the online chat people can ask you blunt questions. I remember when we were looking at the education training reforms one of the questions I was asked was, 'Well, Minister, you say that if kids don't attend school their parents are liable. If you don't provide proper training, will the parents be fined?' It was a pretty cheeky question, but it was the sort of thing that I think reflected a confidence in the person who was being consulted.

**The CHAIR:** Minister, page 1-21 of the MPS refers to the future development of arts and cultural career pathways for young people. Could you please advise this committee how this will be done?

**Mr MATT FOLEY:** Yes. The importance of the arts as a pathway is increasingly being recognised through our TAFE colleges. Take, for example, the Cooloola Sunshine Institute of TAFE. That will be involved in two programs. The Bremer Institute of TAFE will provide another program in partnership with youth services, youth arts and other community and cultural organisations. These are action research programs within the education and training reform trial sites. A project will be undertaken to identify critical success factors in the re-engagement of young people. Guidelines and a tool kit for future program delivery will be developed. The Youth Affairs Network of Queensland will engage the Southbank Institute of TAFE and other artworkers and practitioners in the delivery of the innovative inner-city Brisbane program.

I think it is a bit facile to try to sum it all up. It depends enormously on the vigour, enthusiasm and insight of teachers. One of the things that really impresses me in many indigenous communities that I visit is the willingness of young students to be involved in dancing in a way that I guess the kids at Yeronga High School would not want to be seen dancing. The feedback I get from teachers is that that can be enormously important for their self-esteem, for their confidence and for their status within the community. That is an example at a microlevel.

What we have to try to do is make sure that our education systems, our training systems and our art systems talk to each other and create a climate in which that is regarded as a legitimate area because, as I mentioned, there has been jobs growth over a decade in the creative industries in Queensland. Last Thursday and Friday at the ministers council in Perth I secured agreement at the national level to develop a national strategy for pathways to employment in arts, culture and creative industries. I table a copy of the proposal which was part of that. There is enthusiasm for it around the nation. I think people are realising that we do not just ride on the sheep's back anymore. We have to make sure that we are engaged in these creative industries. The days where we just fill up a ship with coal, send it to Japan and they send back a Sony PlayStation and we regard that as a fair deal are numbered. We have to make sure that we are out there in the information and creative based economy.

**The CHAIR:** Thankyou, Minister. I am aware of the time, but I will call on the member for Ipswich for one final question.

**Ms NOLAN:** I want to follow up on the point about opportunities for young people. As I said, when I was young I had the opportunity to be involved in many committees. I always found that the powers that be were not as all knowing as they thought they were and everybody else thought they were. So mentoring and opportunities for young people, indigenous people, women and so on to be on committees are very much worth supporting. This question relates to indigenous people. How will the Cape York Youth Development Strategy, referred to on page 21 of the MPS, operate?

**Mr MATT FOLEY:** Basically, the Cape York Youth Development Strategy is about increasing access to youth development opportunities for Aboriginal and Islander people in Cape York communities. We are trying to provide a framework for engagement between those communities and the government by enhancing youth development opportunities. The strategy is a guide for coordination, innovation and sustainability for youth development on Cape York. The implementation of the strategy has been placed on the July 2003 agenda of the Cape York Partnerships Chief Executive Officers Steering Committee.

I am pleased to see that there has been a bit of good discussion between education and training providers and industry. Comalco, for example, has been closely involved in consultations in the Weipa area. My director-general has a particular connection with Lockhart River. We have to make sure that these different agencies speak with each other to develop integrated actions and provide opportunities for those young people. Obviously, the development of leadership is something that is particularly important for young people and for the future of these communities. Indeed, very shortly we will see the Story Place Exhibition at the Queensland Art Gallery. The leadership role that the Lockhart River Art Gang has played—Rosella Namok, Fiona Omeenya and those people—has been tremendous. They, of course, were young people starting out.

**The CHAIR:** The time allotted for the consideration of the estimates of expenditure for Youth has now expired. The hearing is now suspended for morning tea and will resume at 10.15 a.m.

Sitting suspended from 10.03 p.m. to 10.15 a.m.

**The CHAIR:** The committee will now move to examine the remaining organisational units in the minister's portfolio. I call on the member for Mirani.

**Mr MALONE:** The first question I have is in relation to page 1-24 of the MPS. I note that there were between 42,000 and 46,000 apprenticeships and traineeships commenced in the last financial year. Can you give me the percentage of those that were trained through the TAFE organisation?

**Mr MATT FOLEY:** We have had some very good success with apprenticeship figures in this last year and in the years leading up to that. In fact, I have been very pleased at the increased numbers of apprenticeships and traineeships that we have achieved.

**Mr MALONE:** Perhaps you have some raw numbers?

**Mr MATT FOLEY:** For the financial years 2001-02 and 2002-03 the number of apprentices and trainees in training have reached record levels. As at 28 February 2003 there were 64,817 apprentices and trainees in training compared with 58,191 at the same time last year. This is an increase of 11 per cent. We have had a significant boost.

**Mr MALONE:** Perhaps you can take that on notice?

**Mr MATT FOLEY:** I am informed that about 60 per cent of the funding for apprentices and trainees goes through TAFE.

**Mr MALONE:** Can you indicate the raw numbers of people trained through TAFE as opposed to other apprenticeships or traineeships? Perhaps you can take that on notice.

**Mr MATT FOLEY:** I am happy to take that on notice. We will get whatever information we have for you.

**Mr MALONE:** In relation to the second measure on the same page, what were the completion rates for both the TAFE trained and privately trained trainees and apprentices?

**Mr MATT FOLEY:** For the current financial year, as at 30 April 2003, 18,968 apprentices and trainees have completed their training programs as compared with 17,656 for the same period in 2002. That is an increase of seven per cent. For the same period, 2,008 apprentices and trainees who first commenced as school based apprentices and trainees have completed their training programs compared with 1,357 in the same period in 2002. That is an increase of 48 per cent.

I should note in that regard that after completion we have some very successful records for obtaining employment. Three to six months after completion of a training program 90 per cent of completing apprentices and trainees are employed as compared with 67 per cent of university graduates. I guess that drives home the significance of vocational education and training. Of those who did not complete, 81 per cent are in jobs three to six months after undertaking training.

**Mr MALONE:** Perhaps you might take that on notice as well. I am trying to isolate the TAFE trained and the privately trained completion rates and trying to get a comparison. Obviously the figures that you have are not isolating that?

**Mr MATT FOLEY:** If you go to page 1-24 of the Ministerial Portfolio Statements, you will see set out there an estimated actual completion rate of apprenticeships of 55 per cent to 60 per cent and a trainee completion rate of 50 per cent to 55 per cent. Recent research by the National Council for Vocational Education Research indicates that the completion rate for apprentices in Queensland actually ranges from 60 per cent to 65 per cent and for trainees from 55 per cent to 60 per cent. I am happy to check for you as to whether that is further broken down as between TAFE and other private providers.



**Mr MALONE:** In connection with that issue, have there been any deregistrations of either TAFE institutes or private training organisations as a result of user choice providers? Can you confirm whether there were any deregistrations either amongst TAFE or private providers as a result of audits that have been undertaken over the past 12 months?

**Mr MATT FOLEY:** I should just clarify that the audit function is not the same thing as the user choice program. The audit function is carried out through the Training Recognition Council. The registration of organisations is done through that body. The acquittal process with respect to user choice is really just whether or not they have delivered the training that they have contracted to—

**Mr MALONE:** Is that also true of the TAFE colleges as well?

**Mr MATT FOLEY:** Yes. They have to qualify as registered training organisations, too, and they have to account to the Training Recognition Council. The department's audit strategy provides a mechanism through which the department can meet its obligations, both to the Australian Quality Training Framework and the user choice contract. The strategy also creates the facility to receive advice from industry and training organisations to improve the effectiveness of the audit process and thereby the quality of training outcomes. There have been sanctions applied to 18 supervising registered training organisations since 1 July. I am just looking quickly through a list. I cannot see TAFE listed here. One of those registered training organisations had its user choice contract cancelled.

**Mr MALONE:** How many was that?

**Mr MATT FOLEY:** Eighteen had sanctions applied to them and one had its user choice contract cancelled. In other words, people need to understand that a contract is a contract. Whether you are providing training or whether you are selling widgets they have to be fit for the purpose. They have to be up to scratch. My officers and the department's officers are there to protect the public purse and to make sure that the students, apprentices and trainees receiving training receive the proper training. They administer that. They do so in a way which is not heavy-handed or insensitive. Nonetheless, at the end of the day they have to enforce the contract and apply sanctions or ultimately cancel the contract.

**Mr MALONE:** Do the colleges work under the same system?

**Mr MATT FOLEY:** Absolutely.

**Mr MALONE:** Have any TAFE colleges been sanctioned or had disciplinary action taken against them because of a failure to meet the requirements under the contract?

**Mr MATT FOLEY:** Certainly not in the last year, not since 1 July. There was one agricultural college that had to be sanctioned. Previously, though, there have been TAFE colleges sanctioned in regard to that. TAFE colleges are obliged to comply with standards of quality. They are obliged if they get a user choice contract to comply with the standards. They are obliged in any event as part of their registration as registered training organisations to be up to scratch and they have to meet the relevant standard. I am pleased to say that none in the last year has had to be sanctioned, but that has happened in the past.

**Mr MALONE:** Thank you for that answer. Continuing in that vein, there has been an issue concerning overpayments to some training providers under the user choice contract system. You provided some information on that in response to question on notice No. 44 in the parliament, for which I am grateful. I have the court transcript of a case in Townsville, which I can table, if necessary, where an officer of your department indicates to the court that 'there was a breach of process and the procedures that we now have in this department and it was not picked up by the department because of another error'. That is part of that transcript. How many breaches have there been in terms of overpayments and what has your department been able to do to counteract that? Has any disciplinary action been taken against departmental staff in terms of those breaches?

**Mr MATT FOLEY:** You should just take some care, because I am not sure where that proceeding in the Townsville court is up to.

**Mr MALONE:** I can give you the transcript.

**Mr MATT FOLEY:** Before you do—and I appreciate that—I am not sure whether there is a matter still awaiting trial. That is my concern. I am aware that there was a person committed for trial on a particular charge in the Townsville District Court. To my knowledge, that trial has not yet been held. We should not perhaps talk specifically about that. But let me deal with the question generally. Overpayments have been a problem. One of the reasons they are a problem is that a

practice was adopted during the time of the coalition government, under Minister Santoro, of paying in advance. This practice has since been stopped. Some 68 overpayments were a direct result of the prepayment policy implemented by the Borbidge government under Minister Santoro.

**Mr MALONE:** These have happened in your time. You cannot keep blaming the Borbidge government for these things. This happened 18 months ago.

**Mr MATT FOLEY:** Sure.

**Mr MALONE:** To clarify, in most cases the overpayments were identified by the training provider rather than the department.

**Mr MATT FOLEY:** As I indicated to you in the answer to the question on notice some time ago, there were a number of duplicate payments and a number of overpayments in the period from 1998. I am not sure that it is the case that there have been overpayments in the last 12 months. In response to a question on notice concerning this issue it was reported that the department had made 185 overpayments. Since that response was provided a further six overpayments have occurred. The department has recovered these moneys, with the exception of some \$241,712.44 which was written off and some moneys which are currently being pursued.

In the majority of these instances the registered training organisations were initially entitled, under the contract, to receive some payment and recoveries of moneys were subsequently required as a result of the failure of the RTO to deliver training, or there was an audit of the data submitted by the RTO where their performance had not met the requirements outlined in the terms and conditions or there were departmental errors in processing claims for payment.

Departmental policy on prepayment to user choice registered training organisations has changed from the automatic granting of prepayments to the current policy where repayments are no longer a feature of the contract. We have taken action to avoid what was a significant cause of the problem—namely, the prepayment.

**Mr MALONE:** In the MPS at 1-27, the financial output statement for vocational education, note 9 indicates that user choice was oversubscribed last year. Giving the capping of private provider contracts, can the minister guarantee that courses provided to trainees will continue to be available?

**Mr MATT FOLEY:** Certainly. I think your question relates to the issue of trainees or apprentices currently involved in training.

**Mr MALONE:** In training now and the capping of the private provider funds.

**Mr MATT FOLEY:** Let me assure you and the committee that people currently in training as apprentices and trainees will continue to receive training through the relevant training organisation. The significant increase in apprentices and trainees that we saw last year, to which I made reference, was a terrific policy outcome. It was great to see increased opportunities made available for apprentices and trainees. But the down side is that the user choice budget was significantly exceeded. The user choice program is not a bottomless slush fund for training providers. It provides public funding to meet the strategic priorities of government—namely, training in skill shortage areas and training for the most disadvantaged and marginalised job seekers.

This comes back to a question that Mr Wellington asked earlier in the proceedings about where we direct funds. Do we direct funds to areas of high skill shortage such as the automotive, construction or manufacturing areas or do we have an anything goes policy where funds in other areas which may not have skill shortages or be strategic priorities such as in some of the retail areas—car sales and real estate sales—are funded in a way where you see significant increases last year?

What we have tried to do with the user choice funding is ensure that it is applied to the strategic priorities of government. Over recent years we have just seen growth to the point where the budget has been reached and indeed exceeded. That has been great in terms of providing opportunities, but we have to make sure that the money is going into the most important and prioritised areas. That is what we are doing with user choice. Let me assure you that those students in training will continue to receive training.

**Mr MALONE:** But not through private providers though?

**Mr MATT FOLEY:** Yes, anyone halfway through their apprenticeship and doing their training with a private provider will be assured of continuing that training. There is no risk of that. The

departmental officers have spelt out the clear expectations in the contracts with user choice providers. These contracts are just that; they are contracts. They are not just an open-ended passport to the public purse.

**The CHAIR:** The time allocated for question from non-government members has expired. I call the member for Ipswich.

**Ms NOLAN:** Page 3 of the MPS refers to the success of the Breaking the Unemployment Cycle initiative. How successful has the initiative been in getting unemployed Queenslanders back into the work force?

**Mr MATT FOLEY:** It has been very successful. It has created more than 56,000 jobs and assisted around 64,000 people since its introduction in 1998. Many of those assisted have been mature-age people, people from non-English speaking backgrounds and women. A recent review found the program met the specific intended objective of providing job opportunities for young people, for the long-term unemployed and other disadvantaged job seekers.

This program was criticised by the previous Leader of the Opposition, Mr Horan, as simply painting rocks white. A thorough review of the department's programs has yet to find any example of a project involving the painting of rocks white. It has, however, found very good success rates in people getting jobs and getting help to get back to work.

The point of the program is this. It is not sufficient to leave the labour market without some form of intervention. The experience after the 1983 recession, when the drought broke, was that many of the long-term unemployed continued to be unemployed for six or seven years because employers would take from the pool of most recently unemployed people. That is why it is important to give people recent experience in employment through Community Jobs Plan projects and the Community Employment Assistance program.

This involves providing specific opportunities. For example, 81.5 per cent of people completed their traineeships through the public sector employment program. Some 55 per cent of participants in the Community Jobs Plan have found ongoing employment. That includes things like creek revegetation programs. I was in Rockhampton the other day at a retirement village where they had put in landscaping and pathways. Some 60 per cent of participants in the Community Employment Assistance program have found ongoing employment. Most of those participants were long-term unemployed or highly disadvantaged job seekers.

It has been particularly effective in providing opportunities for young people, with 63 per cent of all persons assisted being young job seekers aged 15 to 24. It is vital that we reach out to those 15 to 17 year olds, the 10,000 out of school, out of work and out of training. The Breaking the Unemployment Cycle program helps us do that and we have passed the 56,000 job mark.

**Mr FENLON:** Can the minister advise the committee of the state of the labour market in Queensland? How does this compare with the performance of the previous government?

**Mr MATT FOLEY:** The unemployment rate is now down to 6.8 per cent, which makes it the lowest since February 1990. That is absolutely nothing to be complacent about because that figure is still far too high. Under the coalition, the unemployment rate peaked at nine and half per cent in February 1997. What we have seen since the Beattie government came to office is 201,600 new jobs created at a rate of 3,400 jobs per month. Indeed, that is 400 jobs per month more than under the coalition. Only one in three jobs, 32.3 per cent, created by the opposition were full-time jobs. Under the Labor government, nearly half or 48.1 per cent are full time.

We have seen very significant job growth. But that has been the light on the hill to many battlers from right around Australia. As a consequence tens of thousands of people come to Queensland every year to participate in these opportunities as a result of which we maintain an unemployment rate of 6.8 per cent. We also have a very high participation rate. But Queensland has led the nation in terms of job creation. That reflects that the top priority of government is jobs, jobs, jobs.

**The CHAIR:** Could you advise the committee what the Breaking the Unemployment Cycle initiative has achieved in the electorate of Kawana on Queensland's Sunshine Coast.

**Mr MATT FOLEY:** I am mindful of the honourable member's keen interest in his own electorate. I thank him for the question. It has involved expenditure to 30 April 2003 of over \$820,000 in the state electorate of Kawana. That has included almost \$280,000 in community support programs and \$543,000 in employment support programs.

Let me give you some examples. Under the Community Jobs Plan, two groups of 10 long-term unemployed people have been employed over the past year to improve beach access and

walkways in parks in Warana, Bokarina and Wurtulla on the Sunshine Coast. We visited that project. It was good to see the people involved. The state government contributed \$247,090 through the Community Jobs Plan under the Breaking the Unemployment Cycle initiative to pay the wages of participants and the supervisor. Caloundra council has contributed to the cost of design, planning and materials. Participants built timber boardwalks, viewing platforms, ramps for disabled access and fencing to protect the dunes.

These are examples of unemployed people getting a chance but having something that they can be proud of and something to leave behind. Another example is the Community Responsive Training program. The Kawana Waters Christian Church received \$5,500 in funding from the department under the 2002-03 Community Responsive Training program. The funding was to conduct courses in adult literacy and numeracy and volunteer community literacy tutoring for approximately 30 participants.

Those participants were able to get valuable assistance to take them to the next step in obtaining literacy and numeracy skills. In summary, under the Private Sector Employment Program, a total of 218 private sector employers and six group training organisations in that electorate have been paid employer incentive payments totalling \$547,000 for employing 309 additional apprentices or trainees from the state electorate of Kawana from between 1998 and 31 May 2003.

Under the Public Sector Employment Program, a total of 130 full-time trainees, 16 school based trainees and three full-time apprentices from the Kawana electorate have been employed at a total cost of \$2.2 million and a further nine trainees from that electorate employed under the Youth for the Environment and Local Communities Program at a cost of \$144,000. In my view, that is money well spent because those people would not be employed without the benefit of this program.

**Ms JARRATT:** Job creation is quite rightly one of the Beattie government's top priorities. Could you outline to the committee what has been achieved under the Breaking the Unemployment Cycle initiative in the Mackay-Whitsunday region?

**Mr MATT FOLEY:** I thank the honourable member and I note her keen interest and support for job creation in her own electorate. Having visited with the honourable member to the Whitsunday electorate on a number of occasions, I am mindful that unemployment is a significant issue and it is one that the honourable member has sought to tackle. There are 152 full-time trainees and six full-time apprentices who have got jobs and been employed as a direct result of the Public Sector Employment Program at a total cost of \$2.7 million between 1998 and 31 May 2003. There are 152 additional apprentices or trainees from that electorate who have been employed under the Private Sector Employment Program, with employer incentive payments totalling \$251,000 paid to 88 private sector employers and three group training organisations. There are nine trainees from that electorate employed under the Youth for the Environment and Local Communities Program at a total cost of \$144,000.

These are practical examples of the ways in which these programs reach out. They provide funds to public sector organisations by the state government or local government directly to employ people, they provide financial incentives to private sector employers to put on additional trainees, and they appeal to the environmental enthusiasm of young people through the Youth for the Environment and Local Communities Program to do that. I know that the honourable member is rightly proud of her electorate. It is of such stunning beauty that it is almost as beautiful as my own electorate. So I can understand that the Youth for the Environment and Local Communities Program is of such interest to the trainees in that area.

**Mr FENLON:** How does the Breaking the Unemployment Cycle program assist electorates such as the Greenslopes electorate as a near inner-city electorate in Brisbane?

**Mr MATT FOLEY:** I thank the honourable member and again I note his keen interest. The Greenslopes electorate reflects a need, among other things, for training for mature-age unemployed people. The mature aged in many respects have become the forgotten unemployed and that is why we undertook to fund programs in this area. There are 48 mature-age participants engaged in the Experience Pays employment program coordinated by Career Employment Australia Incorporated at Coorparoo. They receive employment assistance, life and employment skills and training modules from either certificate III in community services aged care or disability. Each six-week program consists of four weeks training and two weeks work experience. The project duration is 23 weeks in total and commenced on 10 February this year, concluding on 10

July. That project received \$43,330 in funding under the Community Employment Assistance Program.

With the changing nature of the economy, we have to intervene to give people a hand. I remember when I launched the mature-age unemployed program I spoke with a man who was in his late 40s who had become unemployed. He said to me, 'Matt, all my life I have only ever needed a pair of strong hands and a pair of dirty boots to get a job. Now, I went along and they said "Where's your resume?" ' He said, 'Matt, what's a resume?' So programs like this help people like that to just get to square one of orienting themselves to the needs of a changing marketplace and respond to the needs of electorates like Greenslopes where there are numbers of mature-age people who have to face a life crisis in their employment security.

In addition to that, over the last five years between 1998 and 31 May 2003 there were 123 additional apprentices or trainees from the Greenslopes electorate employed through the Private Sector Employment Program, a total of 64 full-time trainees, two school based trainees and six full-time apprentices employed under the Public Sector Employment Program. So all of this is by way of trying to intervene in the labour market to assist those most disadvantaged and give them opportunities.

**Ms JARRATT:** Page 2-1 of the MPS refers to the Youth Access Program. Could you advise the committee of the progress of that program?

**Mr MATT FOLEY:** Yes. It is a terrific program, because it reaches out to those young people who are out of school, out of work and out of training or who are at risk of becoming so. As I move around the state, I have spoken with many of these young people—down at Logan, down the Gold Coast, up at Maryborough, up in north Queensland. This is about, for example, in Maryborough, running an automotive course to help these young people once a week do something of a prevocational nature which sparks their interest back in the school system. Up in Mackay, I met with a number of young people who—it was certainly from the Mackay electorate and I have a feeling that one or two of them may have even come from the Whitsunday electorate—

**Ms JARRATT:** Part of the Whitsunday electorate is in Mackay, so quite likely.

**Mr MATT FOLEY:** They were doing woodwork and making chairs in the Mackay TAFE. The feedback was that these were kids who were seriously at risk of dropping out of school. So this Youth Access Program is about trying to provide opportunities for them. The government has committed \$7 million over three years for school based students at risk of dropping out of school without the necessary skills to gain access to employment. This obviously is an important part of the education and training reform agenda that, together with my colleague the Honourable Minister for Education, Anna Bligh, we are progressing.

This program also has the effect of engaging and supporting those people in our school communities—the teachers and in our TAFEs—who realise the shortcomings of the institutional limitations that they face and realise that they need to reach out. In the case of the Gold Coast and Sunshine Coast youth commitment organisations, they use the expression 'community commitment to youth', which is an expression that has grown out of the Dusseldorp Skills Forum. The essence of that is that these young people are the problem or the duty of the whole community to respond to, not just a school or a TAFE, or an employer. Indeed, that notion of a community commitment to youth is one which is very important in Youth Access.

**Ms NOLAN:** The Worker Assistance Program was introduced by the Beattie government to help people who through no fault of their own get caught up in major retrenchments. Can you tell the committee how many people have been assisted under this program?

**Mr MATT FOLEY:** Four thousand and two workers have been assisted under that program since November 1999. It is a sad fact of life that we have large-scale retrenchments in some industries. They hit particularly hard in regional Queensland and we need to do what we can. Experience teaches us that you are better off intervening quickly and giving a little bit of help. It might be only \$1,000 by way of training, or by way of relocation expenses. It might just be \$1,500, but if assistance can be provided promptly, then that is worth tens of thousands of dollars of assistance down the track.

Let me give you an example. The community in central Queensland faced a real shock when the Lakes Creek meatworks closed down in Rockhampton. I went there with the member for Rockhampton and Minister for Public Works, the Honourable Robert Swarten, and spoke with the community, with the mayor, with the unions and with the workers involved. We put together a package to assist those workers. There were, from recollection, something in the order of 700

people who were laid off. I was very pleased to be able to go back a couple of months ago and in one of the retirement villages—I think it was the Shalom Retirement Village—I met a number of the people, both men and women, who had been meatworkers who had been laid off and who had received that assistance. It had helped them get started on another career. Indeed, they had been working on some landscaping and pathway building. Two of them had undertaken mature-age apprenticeships in the construction industry, which was a good example of trying to provide help.

**The CHAIR:** The time allocated for questions by government members has expired. In calling on the member for Gympie, may I point out that this is her first or maiden question in budget estimates hearings.

**Miss ELISA ROBERTS:** Good morning.

**Mr MATT FOLEY:** I managed to get in the Gympie Art Gallery.

**Miss ELISA ROBERTS:** You did. That was lovely. We appreciate that. It is a lovely gallery.

**Mr MATT FOLEY:** It is a fantastic gallery and the people of Gympie should be very proud of it.

**Miss ELISA ROBERTS:** It is. It is the hub of art in Gympie, the arts centre.

**Mr MATT FOLEY:** Absolutely.

**Miss ELISA ROBERTS:** Could you outline the delivery of targeted training in response to the training needs of industry, enterprise and individuals throughout the Gympie electorate, similar to that which is carried out by the Central Queensland Institute of TAFE?

**Mr MATT FOLEY:** I will just get that detail. While that is being obtained, in answer to a question that Mr Malone asked, I can inform the committee that, as of today, 65,637 apprentices and trainees are in training. Forty-four per cent are being trained by TAFE. TAFE trains 72 per cent of the apprentices and 26 per cent of the trainees. I think that may go some way towards addressing those concerns.

The Cooloola Sunshine Institute of TAFE, which services your electorate, is receiving \$35.5 million in this budget for training delivery and \$.5.7 million for capital works, mainly for the Noosa Arts and Environmental Tourism Centre, which is a bit out of your patch.

**Miss ELISA ROBERTS:** Vocational training is what I am interested in.

**Mr MATT FOLEY:** Okay. The department is continuing with its major upgrade of information and communication technology. I am not sure if the Isis or Burnett Education Queensland districts pick up any of your electorate. They are trial areas in the new education and training reforms. I am not sure if they intersect, because I am not sure how far inland your electorate goes.

The electorate of Gympie is also serviced, of course, at some length by the Dalby Agricultural College, which receives \$3.3 million for training delivery. There was \$740,000 in user choice funding allocated to 35 registered training organisations in the electorate of Gympie. Apprenticeship and traineeship training was delivered in industry areas including automotive, sales and personal service, the primary industry in the rural area, tourism and hospitality, community services and health, food processing and business and clerical. The Gympie and District Landcare Group received \$27,648 for the delivery of horticulture training by the local TAFE. Almost \$1 million has been allocated to your electorate under Breaking the Unemployment Cycle, through employment support programs and community employment programs to reach out. I am mindful of the fact that unemployment is a big issue in your area.

**Miss ELISA ROBERTS:** I have been advised by a number of unemployed persons within my electorate, whether they reside in Rainbow Beach, Tin Can Bay or Pomona, that their primary obstacle to employment is the lack of available transport to job centres. In response to question on notice No. 6 you outlined a \$1.78 million allocation of funding to support long distance bus networks to connect Queenslanders who live in rural areas with their nearest regional centre. Can you advise which areas of the Gympie electorate have benefited from this funding?

**Mr MATT FOLEY:** I do not have that detail for you. I am happy to take that question on notice. This issue has been examined a number of times. As you see from my answer, we do believe that the Commonwealth should adopt a more proactive role in assisting unemployed jobseekers generally, including fares assistance.

**Miss ELISA ROBERTS:** There is just no transport. I am told by young people in Pomona that they cannot even get to Centrelink. They cannot even get to the computers to look for jobs. Lack of transport is a real issue there.

**Mr MATT FOLEY:** We obviously do what we can through Breaking the Unemployment Cycle to provide job support and training support. We do wish the Commonwealth, through its unemployment services through the Jobs Network, would come to the party on that. I will get the detail of that \$1.78 million to support long distance bus networks. I must say that I am not optimistic that any of that is in the Gympie electorate. I suspect that it is in more remote areas. Nonetheless, I will take that on notice and see what I can do.

**Mr WELLINGTON:** Minister, recently I received correspondence from students who attend the Cooloola Sunshine Institute of TAFE at the Lady Musgrave Drive, Mooloolaba campus. Over 70 students have signed a letter complaining about the fact that, although this is a new campus, there is inadequate parking available for students. Recently there has been an enforcement blitz by the local council. In the budget which has recently been brought down and the funds allocated to you, are there any funds that you have access to to assist in relieving this parking crisis at the Cooloola Sunshine Institute of TAFE, Lady Musgrave Drive, Mooloolaba campus?

**Mr MATT FOLEY:** I thank the honourable member for the question. Parking is always a problem when you create new education and training facilities. It is a problem for the universities—for the University of Queensland and for the university that is right next door to us at QUT. For obvious reasons there are real parking issues for the students who attend there. There are always parking issues involved in the creation of these things. We encourage people to use public transport, but that is not always available and accessible to people.

Nonetheless, I am pleased to inform the member that an additional \$300,000 has been allocated to increase the parking at the Mooloolaba campus of TAFE. That should be finalised within the next few months. That will help. I am not sure that it will be a panacea to the problem, but I respect the concerns that you have raised on behalf of your constituents. We have allocated \$300,000 to try to respond to those concerns.

**Mr WELLINGTON:** Minister, can the department provide me, in time, with further particulars about where the money is going and what the proposal is—whether it is for surfacing or purchasing of land? Do you have access to that information now?

**Mr MATT FOLEY:** I am happy to invite you to liaise through my office to get further and better particulars. Basically, the money has been allocated. I do not want to get your hopes up; I am told that this is mainly for resurfacing. So it will smooth the path for those who get in early, but I am not sure about whether it is rougher than usual handling for those who do not. Anyway, there are 300,000 opportunities. We will see what we can do.

I had the honour of attending there with the Premier in the last couple of months for the opening of that. The Mooloolaba campus is just a fabulous facility. Putting the parking to one side for a moment, if I might respectfully do so, the message I got from it was that it was a first-class, world-class facility that sent a message to TAFE students that what they were doing was as good as university and as good as any other form of education and training. It was an elegant, well-designed, well-resourced campus, but I will get back to you in relation to the issue of parking.

**Mr WELLINGTON:** Following on from the question that my colleague the member for Gympie asked about transport, the people who have supported this letter come from Caloundra, Noosa and Tewantin—the whole Sunshine Coast region. The region is represented by members of the government, the opposition and Independents. It certainly is an issue of concern for the Sunshine Coast.

**The CHAIR:** I can reiterate that, based on the times I have been to the Mountain Creek Mooloolaba TAFE. I usually ask the students where they are from, and a lot do come from the hinterland. We get into the public transport issue, and a lot of them have a lot of trouble accessing that. In relation to car parking in that area, it is environmentally significant land so there would be some question as to whether we bulldoze any more areas.

**Miss ELISA ROBERTS:** Minister, will you advise how many school based apprenticeships and traineeships are currently being undertaken in conjunction with the Cooloola Sunshine Institute of TAFE within the Gympie electorate?

**Mr MATT FOLEY:** I can tell you that Queensland has more school based apprentices and trainees than the rest of the nation put together. The two areas that have been really very successful are the Sunshine Coast and the Gold Coast. The education and training communities in those areas have really reached out, got out of their institutional silos and talked to each other to try to make the pathways for young people better. I am not sure if we have information broken down to the level of the Cooloola Sunshine Institute of TAFE. I will take that on notice. The number of school based apprentices and trainees attending at that TAFE—

**Miss ELISA ROBERTS:** Even the ones who are not doing it through that TAFE but are doing these apprenticeships one day a week while they are still at school.

**Mr MATT FOLEY:** I can tell you that within the electorate of Gympie, under our public sector employment program, there have been 151 full-time trainees, which includes six school based trainees and two full-time apprentices from your electorate. I am happy to undertake to see if I can get a breakdown for either your electorate or the Cooloola Sunshine Institute of TAFE for those school based apprentices and trainees.

**Miss ELISA ROBERTS:** I appreciate that. Thankyou.

**Mr MATT FOLEY:** I do know from having been to that TAFE on a number of occasions that they are—wait on; here we go. You see, Mr Wellington, there is a very good point in having these officers here to provide answers to these questions. I hope that at some stage you might take the opportunity to reassure the public servants who have given of their time to come here that you really do value their contribution. The poor old member for Gympie would be up a gum tree if I did not have these officers here to answer these questions.

Within the Gympie electorate there are, as at 30 April 2003, 106 school based trainees and four school based apprentices. That is a very significant increase. Last year it was 64 school based trainees. So it has gone up from 64 to 106 in one year. Is that a sufficient answer to your question?

**Miss ELISA ROBERTS:** Yes, that is great. Thankyou.

**Mr MATT FOLEY:** Let me take the opportunity to extend my congratulations to the Gympie community for that increase.

**The CHAIR:** Before I call the next member, I acknowledge the presence in the gallery of year 7 students, the principal and teachers from the Springwood Central State School. This is the second group. Welcome. Please advise the first group that we did notice them come through; we just did not have the chance to acknowledge them.

**Mr MALONE:** Minister, I refer to an open letter that was circulated amongst members of parliament from a Mike O'Hagan, who is the owner of MiniMovers. I will table the letter for your consideration. He is a very successful trainer, I guess, of young people in Brisbane. He has won numerous awards for the way in which he conducts his business. As recently as yesterday he was featured in the *Courier-Mail* business section as a winner of a Telstra Queensland small business award. The letter states—

'Classroom' training of the people we target, in what we teach them WILL NOT WORK.

...

We ... have changed the lives of 258 young people in Brisbane, mostly in the 20-25 year age group—who in the majority, have never completed a trade or qualification.

...

It was a hard fast rule in MiniMovers, that every Furniture Removalist starting with us be 'unskilled'. On the advice of the traineeship systems changes that we have received, we will no longer be able to have this policy and target these people with employment.

I'm aware of the issues in the Traineeship System. I question the strategy. I believe whoever has instigated these changes has used a sledgehammer to crack a small nut.

I wonder if the true impact on our community of the changes to the traineeship system has been considered?

Have you made some consideration in terms of the changes that have been made to the traineeship system in regard to people who have been very successful in running their business and training young people?

**Mr MATT FOLEY:** I thank the member for the question. I think the concern that is expressed on behalf of MiniMovers reflects perhaps a misunderstanding of what is required of employers and trainers in our training system. Let me make it clear that the department and the government expect that in return for payment the training provider will actually teach trainees and apprentices and make sure they are provided learning opportunities appropriate to their needs.

The department ensures value for money by setting clear benchmarks for the standard of teaching services and products purchased through the user choice program. One benchmark—and this is coming to the nub of your question—is the withdrawal of apprentices and trainees from routine productive work to undertake the formal teaching or instruction, learning and assessment provided by a supervising registered training organisation.

**Mr MALONE:** How do you do that with a traineeship in furniture removal?



**Mr MATT FOLEY:** I am not an expert in furniture removal.

**Mr MALONE:** I am not either, but you tell me.

**Mr MATT FOLEY:** What I do know is that it is part of the contract with registered training organisations that they are to deliver training. This is not just a subsidised form of purely learning on the job; this is about delivering accredited training—

**Mr MALONE:** This is traineeships, Minister, not apprenticeships.

**Mr MATT FOLEY:** Sure, but the same principle applies. There is a requirement for withdrawal from routine productive work. That has always been a feature of apprenticeships and traineeships. It is determined at the time the training plans are developed. Determining the period of withdrawal takes into consideration the relevant training package requirements, the length of the training contract and the requirements of the individual apprentice or trainee. The withdrawal period can be reduced through recognition of prior learning, credit transfer and accelerated progression. I have had dealings with MiniMovers over the years—

**Mr MALONE:** It was in your electorate.

**Mr MATT FOLEY:**—in my electorate and I understand the concerns that employers would have, but it is important to realise that apprentices and trainees are not just there as some form of cheap labour. They are there to be trained and there are certain standards that have to be applied. They do not necessarily have to be in a classroom. They can be doing work-like activities. But the bottom line is that what we are funding here is training, and that has to be provided in a way that produces good outcomes for those people.

**Mr MALONE:** I am suggesting that he does get good outcomes and maybe the way he trains is the way we should be training. Have you looked at the way he provides training? Have you been to his workplace?

**Mr MATT FOLEY:** I cannot comment specifically on MiniMovers and its particular work patterns and practices, but I am aware that a number of training organisations which were receiving public funds under the user choice contracts were ignoring this requirement for a training period which involved the withdrawal of those trainees and apprentices from routine or productive work.

I am just reminded by these departmental officers whom Mr Wellington bashes up that MiniMovers won the Queensland Training Awards a couple of years ago. I pay tribute to MiniMovers and I invite it to take up the issue with officers of my department to see if it can be worked through.

At the level of principle there is always this discussion and debate because employers understandably want to get the maximum productivity out of their employees, but we have to make sure that students and trainees are not exploited on the way through and that there are proper safeguards to ensure that at the end of their traineeship their off-the-job training will mean they are capable of doing the things that the training package requires.

I want to make it clear that I am not casting any aspersions whatsoever on MiniMovers—indeed, quite the contrary; it won the training awards. I invite it to take the matter up at the operational level with departmental officers.

**The CHAIR:** The time allocated for questions by non-government members expired not that long ago, so I call the member for Greenslopes.

**Mr FENLON:** Minister, you have already made some specific mention of the mature-age unemployed, and that is dealt with on page 1-12 of the MPS. Can you please advise the committee how successful these programs have generally been?

**Mr MATT FOLEY:** I thank the member. As I said before, I am aware that Mr Fenlon has a deep interest in looking after his constituents, including mature-age people who are in need of work. Mature-age jobseekers are a priority group under the Breaking the Unemployment Cycle initiative. This is evidenced in a number of ways.

Under the Breaking the Unemployment Cycle initiative 11,510 mature-age people were assisted up until 30 April 2003. Mature-age people comprise 17.9 per cent of all participants. Two new programs were introduced in 2001-02: Experience Pays and Back to Work. It is an annual target to assist 1,450 mature-age people through both programs. To 30 April 2003, Back to Work assisted 872 and we are on track to achieve the target of 1,000. To 30 April 2003, 231 wage subsidy applications have been received, and it is expected that a total of 370 applications will be received in 2002-03, which includes subsidies paid directly to group training organisations.

In addition, additional strategies have been implemented in 2002-03 through the Experience Pays program to assist a minimum of 900 people. In total, it is estimated that over 2,190 mature-age jobseekers will be assisted in 2002-03, exceeding the annual target of 1,450 for these two programs. In other words, we are doing two things. We are trying to help them to get back to work and we are trying to help them by giving a financial incentive to the employer. Getting back to work when you are a mature-age unemployed person can be pretty tough. So providing that support, helping them to get focused, helping them to get job ready is very important.

The Experience Pays program is about providing some financial incentives. It is also about trying to convince employers and trying to convince the community that just because you have turned 45 you are not quite ready for the scrap heap. I know with an election coming up within the next year members of parliament often have a keen interest in mature-age unemployment issues, as it always looms as a prospect. The message we are trying to send—and the Pharmacy Guild used this message the other day—is that people who are mature-age are very good in pharmacies and people like dealing with them. So we are trying to get that message out.

**Ms JARRATT:** Minister, in asking this question I acknowledge you have already spent a good deal of time addressing issues to do with apprenticeships and traineeships. However, I refer you to page 1-19 of the MPS, which refers to an increase in the number of apprentices and trainees in training in Queensland, and I ask you to advise the committee of the current situation.

**Mr MATT FOLEY:** Of apprentices and trainees?

**Ms JARRATT:** About the increase in apprentices and trainees.

**Mr MATT FOLEY:** Basically, there has been a 20 per cent increase from March 1999 to March 2003, up from 55,100 to 66,100. The data provided by the National Centre for Vocational Education Research on apprentice and trainee activity for the March quarter 2003 indicates the in-training figures in Queensland have achieved those increases. There are currently 647 apprenticeships and traineeship qualifications from training packages available in Queensland. In apprenticeships, qualifications from cooking, construction, automotive and engineering have the highest participation rates. In traineeships, qualifications from office administration, retail operations, transport and distribution, business services and hospitality have the highest participation rates.

The Breaking the Unemployment Cycle initiative continues to have a positive impact upon apprenticeships and traineeships through the provision of incentives under the Public Sector Employment program, the Youth for the Environment and Local Communities Program and the Private Sector Employment Program. We will not survive as a nation and we will not survive as a community unless we have skilled people. There is absolutely no guarantee that any nation survives unless it prepares for the future, and the future is not something we can be complacent about. The future wellbeing of our community depends upon our investment in upskilling our work force. That 20 per cent increase from 1999-2003 is something that I am very pleased about, but I think all honourable members should get their minds around the fact that this is not optional. This is not just something that is a jolly good thing to do.

If we want to survive as a nation, we have to invest in training. I certainly wish that the Commonwealth government would recognise that and increase its offer of funding for the Australian National Training Authority agreement, because the current level of funding simply maintains the status quo and does nothing to deal with increased demand in the system. It just provides for indexation of CPI; it does not deal with the huge growth that we need if we are to survive as a nation.

I make this point also: that 20 per cent increase in apprenticeships and traineeships is absolutely essential if we are to have the skills based economy that we need for a Smart State, which is essential to surviving in a highly competitive marketplace in the Asia-Pacific region.

**The CHAIR:** School based apprenticeships and traineeships appear to have become increasingly popular right across Queensland and especially on the Sunshine Coast—I believe the Sunshine Coast may even lead Queensland—and I believe Queensland leads the other states in Australia.

**Mr MATT FOLEY:** Absolutely.

**The CHAIR:** Could you please advise the committee on the growth of school based apprenticeships and traineeships and how we have come to be the leader?

**Mr MATT FOLEY:** Yes. Since the inception of school based traineeships and apprenticeships in 1997, over 16,400 students have taken advantage of this important training

initiative. As at 30 April this year, there were 4,698 school based apprentices and trainees in training in Queensland. That is a lot of young people, and we need to make sure that we support these arrangements because not everybody wants to go to university and not everybody wants to go into the professions. We have to provide multiple pathways for young people. Even those who do want to go into a profession or go to a university may well want to develop the skills and expertise that they can get through school based traineeships and apprenticeships.

Queensland was the first state to put in place industrial arrangements to support school based training. A well-targeted marketing campaign was developed. We established a school based apprenticeship and traineeship advisory committee. I might say that these are spread throughout the school sector, including Education Queensland, Catholic education and the Association of Independent Schools. In total, 381 Queensland schools have participated in school based apprenticeships and traineeships.

I said before that we had more school based trainees and apprentices than the rest of Australia put together, and I have to say to the committee I was wrong, because apparently that has been the case for quite some time but the other states are starting to get the message. We are still light-years ahead of them. We have 41 per cent of all school based apprentices and trainees in Australia, but the Queensland message is starting to get through in the other states. So they are starting to pick it up.

I think we have to appreciate that this is important from a vocational education point of view, but it is also important from a general education point of view. I well recall a young lad down at one of the Gold Coast schools back in 1994-95 when I was in this portfolio last time who had been a tearaway and in trouble, but he got a community radio traineeship and was able to get that interest going. His teachers reported to me that he suddenly saw the relevance of literacy and numeracy and was engaging back with his studies. The leadership in school based apprenticeships and traineeships is important not just for getting jobs but also for general education.

**Mr FENLON:** Minister, I understand Queensland was represented in the recent WorldSkills international competition in Switzerland. Can you please advise the committee of the results of Queensland's contestants?

**Mr MATT FOLEY:** Yes. The three Queensland members of the Australian team who competed at the international competition in St Gallen in Switzerland in June this year were all very successful, all winning medals. There was a gold medal for refrigeration, a silver medal for manufacturing team challenge and a bronze medal for beauty care.

It is a funny thing that we celebrate our athletes and give them acknowledgment and pay tribute to them. I may as well pay tribute to the mighty Maroons for their fantastic performance last night that brought pride to the heart of all Queenslanders. But I would like to see the day when the front page of the *Courier Mail* reports that Australian and Queensland work skill competitors won at the international competition in Switzerland. I guess our economic prosperity and wellbeing depend upon the skills and expertise of these young people.

I am pleased to say that from 3 to 5 June next year Queensland will host the national competition of WorldSkills. It is expected that over 600 people will compete in the national competition and that it will be visited by in excess of 20,000 spectators. In the last national competition in Newcastle in October last year the Queensland team came home with 15 medals. The department provides \$95,500 plus GST per annum on a three-year cycle to support WorldSkills Australia in support of this event. In addition to the \$95,500 recurrent the department has committed \$300,000 to the event and will provide in-kind support.

These young people did very well. I think this sort of competition helps to raise the status and recognition of vocational education and training. I have to say that yesterday or the day before I was at the Yeronga Institute of TAFE, at the very epicentre of the universe, where the Golden Trowel Award was presented for excellence in bricklaying. I am sad to say that Yeronga TAFE students came second to the BIGA training group, but those winners will go to New South Wales to compete in that competition. These sort of projects give our young vocational education and training students the recognition I believe they deserve.

**The CHAIR:** Minister, I will warn you about misleading the committee on where the centre of the universe is. When you are north of Brisbane you will well understand where it is. I call the member for Ipswich.

**Mr MATT FOLEY:** I appreciate the honourable member's devotion to his electorate.

**Ms NOLAN:** Minister, page 22 of the MPS refers to further enhancement of the Cape York Training and Employment Strategy. What has been achieved under that strategy?

**Mr MATT FOLEY:** Over the last year an estimated 12,300 Aboriginal and Torres Strait Islander people throughout Queensland participated in the department's vocational education and training programs, which was valued at over \$41 million. The Cape York Training and Employment Strategy has resulted in the development of 98 community training applications which have in turn resulted in training being delivered to 2,007 Aboriginal and Torres Strait Islander Queenslanders.

The bottom line is that we cannot just sit in our TAFE colleges and agricultural colleges and wait for these communities to fit into our institutions. We have to get out there. We have to listen to what they want and we have to tailor the training to meet their needs. I recall back in 1992 going with my then director-general, Bob Marshman, to visit many of these remote communities. I was frankly appalled at how badly we were delivering training to many of them. We needed to lift our game considerably. I am pleased that there is a much more reciprocal arrangement and a much more collaborative approach to these communities. This strategy contributes significantly to the departmental implementation of key government priorities such as those identified in Meeting Challenges, Making Choices.

I might say by way of example that we have had 10 traineeships in arts and arts administration in connection with the Cape York art exhibition that is about to start in a week or so at Story Place at the Queensland Art Gallery. I well remember how wrong I was as Minister for Employment and Training a decade ago when I visited those communities. I encouraged the department to put all their efforts and energies into the existing industries of agriculture, the cattle industry and fishing and so on. The senior officer, Wendy Ludwig, deputy of Cairns TAFE, kept telling me at the time, 'Minister, what about the arts industry in Cape York?' I said, 'Look, I love the arts but, really, I have to focus on jobs, jobs, jobs.' She said, 'That's where the jobs are'. I did not act on that advice then. I was wrong. I should have acted upon it much more vigorously. We are now acting on that advice.

I am pleased to see that there is jobs growth coming in Cape York in the arts area along with those other areas which are quite important. I know only too well that you have to listen carefully to what people are telling you, because they know what it is that they want in terms of their futures. We have a job to try to help them achieve it.

**Ms JARRATT:** The work of the Barrier Reef Institute of TAFE through the campuses at Bowen and Cannonvale is greatly appreciated by the Whitsunday community. Could you please advise the committee of projected developments in 2003-04?

**Mr MATT FOLEY:** Having been to the Cannonvale campus I am mindful of the important work that they do. Cannonvale is part of the campus of the Barrier Reef Institute of TAFE. That will receive \$34.9 million for training delivery. This includes \$250,000 to assist the institute to providing training to the residents of Palm Island, which I know is not in your patch, and \$141,556 to provide training to indigenous communities in regional and remote locations. The institute will also share in \$7.7 million for infrastructure equipment and minor capital works projects, and \$5.9 million for the annual maintenance program.

I must say that one of the things that that institute has achieved, as many of the others have, is financial regularity. They had a deficit of \$925,000 in 2000-01. That has improved to a \$1.3 million surplus in 2001-02. The institute is expected to achieve another surplus of a quarter of a million dollars this year. This means that it can actually get on with the job of providing training to people in areas like the hospitality industry, which is so important for Cannonvale and for the Whitsundays. The institute is a campus that is well-placed to meet the needs of local industry.

**The CHAIR:** Thank you, Minister. The time allocated for questions by government members has expired. I call the member for Nicklin.

**Mr WELLINGTON:** Minister, in your budget papers reference is made to the government's Shared Service Initiative. Where will this new business unit operate from on the Sunshine Coast? What changes do you anticipate will happen in relation to state government staffing in the region?

**Mr MATT FOLEY:** I will ask the director-general, Mr Jim Varghese, to answer that question.

**Mr Varghese:** The Shared Service Initiative, as you know, has five clusters. The cluster in which the Department of Employment and Training is is called corporate solutions. The shared

services will be providing services across-the-board. The actual staffing configuration remains as it is. As we continue to develop and streamline the services it will be enhanced to deliver the best services. If you wish to go into further details of that, as you know, the Shared Service Initiative is being handled by the Treasurer.

**Mr MATT FOLEY:** I should say that, in answer to some earlier questions asked by Mr Malone, I can inform the committee there were 28 overpayments detected during the 2002-03 period. Some 26 of these related to training delivered under the 2002 contract for training delivered before July 2002.

In regard to the completion rates, I think the honourable member asked for some further breakdown. Those figures are actually compiled by the NCVET, the National Centre for Vocational Education Research. They do not provide a breakdown. They are the people on whom we rely for this, so that is as far as we can take it.

I should say, too, that I understated our assistance to the Queensland Youth Orchestra. In addition to the moneys to which I referred, which I think was \$85,000, we provided a one-off payment of \$20,000 in 2002-03 to develop the professional skills of young musicians through an international tour to Europe by the 100-member Queensland Youth Symphony conducted by John Curro AM, MBE.

**The CHAIR:** Thank you, Minister. I think we should make sure that we get that information to the member for Caloundra, who asked the original question. I call the member for Mirani.

**Mr MALONE:** The final question, Minister. The government's question No. 1-3 on page 2 outlines the movement to TAFE in the very important area of child care training. Have the minister or the department had any communication with child care employers who are unhappy with the withdrawal of any real choice in their training needs? I refer specifically to the area where there are two private RTOs who are now preferred suppliers in Queensland out of the 15 that were there before. One of those two is an enterprise specific provider which probably should not be included in those two. Have you had communications with child care providers, as they are not a happy group?

**Mr MATT FOLEY:** I am aware of the concern in that area. The area of child care is one where the training is provided in accordance with strategic needs and priorities. It is a classic example where there is a need for higher order training, but it is a popular course and people like to come in at entry level. Training in child care continues to be a priority for the department. Approximately \$36 million has been spent in child care training under the direct grant to public providers since 2001. This level of funding will continue in 2003-04 as a commitment to upskill workers in line with the new qualification requirements outlined in the Child Care Act 2002.

As a high level of child care training is provided under this strategy it is not a high priority for funding under the user choice program. So it is, as it were, provided by direct grant. It comes back to the question that Mr Wellington asked earlier: where do you provide training? Do you provide it in those areas that are strategic priority or do you provide it simply in areas where people would like to have a bit of training? We have a duty to the public purse to try to target those areas of skill shortage and strategic need, and the situation in child care reflects that. There have been significant public funds provided of \$17 million in the way of direct grant in the budget for 2003-04. But that is the extent of the commitment to funding in that area.

**The CHAIR:** The time allotted for the consideration of the estimates of expenditure for the Department of Employment, Training and Youth and the Arts has now expired. Realising that there have been some questions taken on notice, before dismissing any of the officers may I remind you that the responses to questions taken on notice at this hearing are required to be returned to the committee by 9 a.m. on Wednesday, 23 July. If the agency is unable to meet the time frame, I would appreciate it if you would notify me and the deputy chairman, the member for Cunningham. I thank the minister and the officers for their attendance.

**Mr MATT FOLEY:** May I say something in conclusion?

**The CHAIR:** Certainly.

**Mr MATT FOLEY:** In answer to Mr Wellington's question, the number of full-time equivalents on the Cooloola-Sunshine Coast who transferred to CSG, Corporate Solutions Queensland, is 13.3. Before you formally close, Mr Chairman, I would like to thank you and the members of the committee for the approach that you have adopted. I would particularly like to thank the officers of my two portfolios who have laboured hard and long in the preparation of material as part of our collective duty to be accountable to the parliament through this committee.

**The CHAIR:** Thank you very much. On behalf of the committee, I thank you and all of the officers and others in attendance at the proceedings today. The hearing is now suspended for lunch and will resume at 12.45.

Sitting suspended from 11.48 a.m. to 12.45 p.m.

**INDUSTRIAL RELATIONS****IN ATTENDANCE**

Hon. G. R. Nuttall, Minister for Industrial Relations  
Mr P. Henneken, Director-General  
Mr J. McGowan, Deputy Director-General  
Mr B. Walker, Director, Business Services Unit (Acting)  
Mr T. Hawkins, Chief Executive Officer, WorkCover  
Ms L. Hewlett, Senior Policy Adviser

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**The CHAIR:** The next item for consideration is the estimates of expenditure for the Department of Industrial Relations. The time allotted is one and three quarter hours. I remind members of the committee and the minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. An extension of time for answers may be given with the consent of the questioner. A double chime will also sound two minutes after an extension of time has been given. The sessional orders require that at least half of the time available for questions and answers in respect of each organisational unit is to be allotted to non-government members. Any time expended when the committee deliberates in private is to be equally apportioned between government and non-government members.

For the benefit of Hansard, I ask departmental officers to identify themselves before they first answer a question. These proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In that regard, I remind members of the public that in accordance with standing order 195 any person admitted to a public hearing may be excluded at the discretion of the chair or by order of the committee. The sessional orders provide that a member of parliament who is not a committee member may, with the committee's leave, ask the minister questions.

In relation to media coverage of the Estimates Committee C hearing, the committee has resolved that still photographs and silent television film coverage may be permitted for the first five minutes of each department. My final request is that if you have a mobile phone or a pager would you please make sure that it is turned off. If you have phone calls to make, please do so outside this chamber. I now declare the proposed expenditure for the Department of industrial relations to be open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, do you wish to make a brief opening statement?

**Mr NUTTALL:** Yes. I would like to begin by updating committee members on perhaps the most public face of the Industrial Relations portfolio, and that is enterprise bargaining. I am pleased to say that almost 40 unions, which represent 120,000 public sector workers, have now accepted the Queensland government's wage rise offer of 3.5 per cent per annum in this current round. To put the issue into perspective, despite the hype that surrounds the argy-bargy of these types of negotiations, it is no coincidence that in the last 12 months Queensland has recorded some of the lowest industrial disputation figures on record. I am sure all sides of politics would agree that low disputation is one of the factors that provides the opportunity for economic growth. But as the Minister for Industrial Relations, I have been working for the last 12 months to find reasonable middle ground between unions and employers on a daily basis for much broader reforms for all workers.

The changes this government and my department have put into place respond to emerging changes in the Queensland labour market, where 30 per cent of all workers are now casual, one in five employees works more than 50 hours a week, and three in 10 industries did not exist a decade ago. In the past year, the Queensland government has successfully introduced the most significant reforms to Queensland's workplace health and safety laws in the last 13 years. In the last 12 months we have introduced Queensland's first stand-alone electrical safety laws, employed the state's first specialist electrical inspectors, introduced mandatory safety switches in homes and units, brought in long-awaited reforms in the building and construction industry, the sugar industry, the diving industry and the rural industry, and introduced Australia's first strategy to reduce bullying in the workplace.

It has taken a year of negotiations and consultation to bring in compulsory roll-over protection structures on tractors in Queensland. We have also created more jobs through Sunday trading and investigated almost 9,000 wage complaints to recoup more than \$8 million in unpaid wages to Queensland workers. In the same time, compensated injuries in the workplace have fallen to 15.4 per thousand workers from 18.3 per thousand workers in 1998. This government makes no apologies for increasing compliance measures but, equally, education plays a vital role in improving workplace safety.

During the year, the department carried out a record number of education programs for employers and employees on workplace health and safety issues arising from audit results and from changes in legislation. The people of my department are on the ground actively engaged with workers and employers every day—people like clothing industry outworkers from non-English speaking backgrounds in Inala and Darra and the south-west suburbs who are getting help from the Vietnamese liaison officer that the department appointed this year, and the more than 1,000 young people who made calls to the Young Workers Advisory Service Hotline for help with wage and harassment issues during the service's inaugural year.

Just to give you one example, in April of this year the department helped a 58-year-old casual salesman who had worked for a hardware store for five years. During this time he worked large amounts of overtime each week for which he was paid a flat rate less than the award. The department ultimately negotiated \$75,000 in settlement of the claim. This recovery is one of the biggest on record for a single employee.

Finally, in the last year this government has ended a 29 year impasse in cross-border workers compensation cover that was damaging Queensland business. New workers compensation legislation has also been passed to set up an independent regulatory umpire in the form of Q-COMP and to bring in a wider definition of 'worker' to ensure that more working Queenslanders are under the umbrella protection offered by WorkCover.

We have announced that employer premiums will stay the lowest of any state in Australia for the fourth year in a row. While I am on WorkCover, may I correct a statement I made in the House in May and subsequently put in a letter to the member for Callide. The department's advice on tax equivalents for 2000-01 and 2001-02 was incorrect, and I wish to table the relevant figures from the annual report.

Since I last sat before the committee I believe this government has made significant achievements in making jobs in this state fairer, safer and more productive, and I would like to thank the officers of my department and my staff for a very successful year.

**The CHAIR:** The period of questions will commence with non-government members. As we realise, the sessional orders provide that a member of parliament who is not a committee member may, with the committee's leave, ask the minister questions. I acknowledge the Deputy Leader of the Opposition, the member for Callide.

**Mr SEENEY:** I was interested to hear your comments in your opening statement especially in regard to the number of industrial disputes. You claimed some sort of achievement on the part of your department. I think you said that the number of industrial disputes was the lowest on record or something along those lines. I would not try to quote you exactly. Could I refer you to the Australian Bureau of Statistics industrial disputes statistics released yesterday, which show that Queensland lost 59,700 days to industrial disputes in the year to April 2003, that being the second highest of all Australian states and second only to Victoria. How does that reconcile with the statements that you made in your opening address?

**Mr NUTTALL:** I thought you might ask me a question along those lines. The strike rate that has been quoted by you was for, as I understand it, the March 2003 quarter. I think that is the latest figure.

**Mr SEENEY:** It is for the 12 months ended April 2003.

**Mr NUTTALL:** We believe that is somewhat of an aberration in the recent historical context of industrial disputes in Queensland. For the previous 12 months, from March 2002 up to February 2003, the strike rate was at or below the previous record low strike rate of 34 achieved at the beginning of the first Beattie Labor government. As recently as November of last year the strike rate hit a new low of 27 days lost per thousand employees. For the assistance of the committee, I am happy to table a diagram that shows the level of industrial disputes going back since 1989 and another table comparing our government's strike rate with that of other jurisdictions.



The first diagram shows that, apart from the 1991 recession in the dying days of the former coalition government, the strike rate in Queensland over the period of the two Beattie Labor governments has been at historical low levels. I table that for the committee. If we look at the figures in those tables, we see they show that industrial disputation has been at all-time lows, despite that glitch that you referred to. As I still have time, I will compare the period of the Borbidge coalition government with the Labor government. The number of working days lost per month has declined from a monthly average of 11,200 working days under the coalition to 5,200 working days lost under a Labor government. That is a decline of some 54 per cent.

**Mr SEENEY:** I certainly appreciate your reminding me about the figures in the past. Of course, we are more interested in the current industrial disputation figures. As you would acknowledge, there has been a marked change in the industrial relations climate, especially since the Borbidge government introduced the Workplace Relations Act 1997. The graph you tabled certainly illustrates that point. You spoke about what you believe to be an aberration in the last 12 months that coincides with—coincidentally, I would suggest—your term as minister. What is the reason for that aberration? Why is it that Queensland has such a large number of industrial disputes resulting in days lost? For example, the days lost per capita in Queensland is 40 as compared with the figure for New South Wales, which was 20. We have lost 40 working days per thousand employees. New South Wales has lost only 20 working days per thousand employees.

**Mr NUTTALL:** Those figures also include people who are employed under federal awards. As you can appreciate, I do not have any control over federal awards or the Federal Industrial Commission. In terms of the overall disputes, the figures do include disputes that occur under federal agreements and not necessarily under state agreements. A lot of that is under federal agreements and not state agreements. About 54 per cent of the work force in Queensland is covered by state awards and the remainder are covered by federal awards or no agreements whatsoever. You have to take into account that a lot of that may be in terms of federal awards.

**Mr SEENEY:** So the federal awards are the reason for the aberration that you spoke of?

**Mr NUTTALL:** Most disputes tend to be in building and construction. Most of those agreements are covered under federal awards and not state awards. The mining industry is an example. I do not have any control over that. In terms of the enterprise bargaining processes that we have been through, we only lost three days due to industrial disputation with government employees in that period.

**Mr SEENEY:** If that is the case, why are those federal awards not causing the same aberrations in other states?

**Mr NUTTALL:** It depends when the agreements expire. If I am covered by a federal agreement in Queensland it might have a different expiry date to that in New South Wales. So when those agreements expire in New South Wales you will find the figures in New South Wales go above what they are in Queensland. It is never going to be a standard graph because agreements expire at different times.

**Mr SEENEY:** If it is the case that that aberration is caused by the federal awards, why were you so quick to claim credit for the great figures in your opening address? It seems to be a bit contradictory to claim credit for the good figures over a five-year period and then blame the aberration on the federal government.

**Mr NUTTALL:** I have said to Tony Abbott on many occasions that he should look at the federal Workplace Relations Act and bring it into line with Queensland's Industrial Relations Act. He would then find that there would be less disputation overall. If you have a look at the graph that I provided Queensland is lower than New South Wales and Victoria in the main.

**Mr SEENEY:** The graph you provided for the term of the Beattie government?

**Mr NUTTALL:** Yes.

**Mr SEENEY:** It is certainly not lower than New South Wales according to the ABS figures released yesterday.

**Mr NUTTALL:** You have a look at the graph, and there it is.

**Mr SEENEY:** Can I refer you then to the issue of WorkCover. Page 19 of the Ministerial Portfolio Statement deals with WorkCover's output performance. I also refer you to the WorkCover annual report which shows that the operating result for WorkCover will go from a surplus of \$191 million last year to a deficit of \$73 million this year, representing a \$264 million turnaround. What are the main causes for that turnaround in WorkCover's financial performance?

**Mr NUTTALL:** I will go through a few issues. If you are not happy with them we will explore it further from there. I will try to give you an explanation of that. At 30 June 2000 WorkCover Queensland reached full funding of 20 per cent solvency. We maintained that position as at 30 June 2002. The audits conducted on the accounts for the financial year just gone have not been finalised so I cannot comment on definitive 2002-03 figures because they have not been audited. They will be detailed obviously in WorkCover's annual report for the year 2002-03, which I am required to table before the end of October.

Our investment return, like many similar organisations, has been affected by the weakened equity markets both overseas and domestically. However, I would like to assure the committee that the WorkCover scheme remains in a sound financial position. While we did record an operating deficit for the year ended 30 June 2002 due to negative investment returns, our total equity remains strong at \$466 million. That equity position is well in excess of the required 20 per cent solvency for full funding. Of course, the WorkCover board, in past years of good investment returns, decided to establish this investment fluctuation reserve to provide premium stability in times of negative investment returns such as this year. This reserve provides ongoing financial certainty against a difficult to predict investment market and protects employers against premium volatility. Funds in the fluctuation reserve are not taken into account when determining WorkCover's solvency position. When we came to office in 1998, the average premium was 2.145 per cent. For three successive years subsequent to that the rate has been cut. It has been maintained at 1.55 per cent for the next financial year, which is the lowest of any state. Does that answer your question?

**Mr SEENEY:** Not really, Minister. I do not think that you expected that it would. You did mention the net asset position of WorkCover. Along with the fall in the operating result, the net asset position has fallen from \$600 million to \$466 million. You mentioned that it was \$466 million this year but you did not mention that it was \$600 million last year. That points to a declining trend in WorkCover's financial position. I do not think anything that you gave the committee in answer to my first question explains why the financial position of WorkCover has declined, and decline it obviously has, based on those two indicators—the operating result and the net asset position. Can you explain why WorkCover's financial position has declined to the extent it has?

**Mr NUTTALL:** I will. I genuinely thought I had given you the answer you were looking for. As I said earlier, we have had a decline in investment returns like many organisations throughout the country, whether they be in government hands or private hands. That is because of the equity market both overseas and domestically. That is why it has gone down to that extent.

**Mr SEENEY:** So that is the only reason that WorkCover's financial position has been eroded to the extent indicated by the operating result falling by \$264 million and the net asset position falling by some \$140 million? All of that financial loss has been due to falling investment returns?

**Mr NUTTALL:** The issues you raise are very important. I want to make sure that both the committee and the general public have every confidence in WorkCover's financial position. Tony Hawkins, the Chief Executive Office of WorkCover, is here. He may be able to expand on what I have said to reassure both the committee and the general public.

**Mr Hawkins:** I guess the minister has probably adequately expressed it in terms of the reduction in net assets from around \$600 million to \$466 million. That was primarily as a result of the reduction in expected investment earnings over that period, as the minister said. However, in terms of the overall reduction in WorkCover's net assets, as the minister also correctly said, it is sufficiently adequate to satisfy solvency. The investment fluctuation reserve has allowed us to maintain that level of premium setting over that four years. It was in fact not necessarily solely as the investment return but we planned a return. As all members are aware, WorkCover is a non-profit organisation and the idea is to balance our premium with our benefits for injured workers. The idea is to make sure that that squares up on the accounts.

**Mr SEENEY:** I ask a question of the minister. If what you are suggesting is that that decline in financial position is solely due to losses on the investment market, what sort of losses in percentage terms is WorkCover sustaining given that you have lost \$134 million in net asset and then some \$264 million in operating result? Can you quantify for the committee what sort of losses WorkCover is sustaining on the investments? How much does WorkCover have invested? What percentage is being lost on that investment? I acknowledge that most investments have lost money over the previous 12 months. But to justify the worsening financial position of WorkCover with that explanation does not seem to gel with the figures in the report and given the extent of those losses.

**Mr Hawkins:** In terms of the quantum of that loss, WorkCover invests approximately \$2.2 billion of funds under management. We budgeted for a seven per cent return. The returns obviously in those last two years have not been at that level. The 2002 year was minus 2.6. In terms of the loss, it was approximately 9.5 per cent to 10 per cent, which equates to that \$150 million. But in talking about the \$600 million, if you have a look at the report for the two years there was a build up of excess reserves when we still budgeted for seven per cent but were earning 11 per cent and 12 per cent. That excess was put in in the good years to cope with the years that go down—to create a smoothing of the premiums so that employers were not suffering the vagaries of the investment market. The vagaries of the investment market were being borne by WorkCover within its own accounts.

**Mr SEENEY:** The other issue out of the WorkCover report is the fact that the premiums received for the year have risen by \$46 million but the claims paid have risen by \$31 million. The premiums being collected have, for this year at least, increased more than the claims paid. Does that indicate that the government will be looking at reviewing the rate that employers are asked to pay if the investment returns for which you are blaming this worsening financial position on are reversed and move to a positive return?

**Mr NUTTALL:** Yes. I think that is a fair question. The rate for next financial year will be 1.55 per cent. That will be the fourth successive year that it has been the rate, which is the lowest in the country. It is incumbent upon the board each year to make a recommendation to me as to what the rate should be for the following year. So they made a recommendation to me to maintain it at 1.55 per cent. Again I say that that is the lowest in the country. The scheme is the envy of the rest of the country too. It is being maintained for 2003-04. In 2004-05 the board will make a recommendation to me as minister as to what the rate should or should not be. Obviously that would be determined based on the financial position of the fund. Our rate is 1.55, New South Wales's is 2.57, Victoria's is 2.22, South Australia's is three and Western Australia's is 2.3. That gives an example of where we are. That is how it is done.

**The CHAIR:** The time allocated for questions by non-government members has expired. As a member representing an electorate on the Sunshine Coast where the building and construction industry is booming, could you outline Workplace Health and Safety Queensland's most significant industry responsive initiatives and achievements, including any recent commendations for those achievements?

**Mr NUTTALL:** The Sunshine Coast, as you know, continues to grow at a fairly rapid rate. It has a soft spot in my heart, having lived up there for a number of years. The building and construction industry is a major industry group that does suffer from significant injury risks. We have done a lot of work not only on the Sunshine Coast but also in Brisbane and the Gold Coast and other provisional centres. Our workplace health and safety industry responsive initiatives have been, we think, some of the most comprehensive in the country. They have been accompanied by a steadily decreasing number of fatality claims since 1994.

We are well below the national average but, of course, we need to continue to be vigilant on that and continue to work towards bringing those figures down. In addition to that, we make significant contributions to the development of national occupational health and safety standards and try to have some uniformity with standards for the construction industry throughout the country.

The current focus is on the development of a national standard in the construction industry for a code of practice for falling from heights and a code of practice for demolition work. As I said, building and construction industry workers are recognised in Australia and internationally as a major industry group with significant injury risks. Workplace Health and Safety in Queensland has acknowledged the unique characteristics of the building and construction industry and incorporated building and construction industry specific regulatory interventions into the overall workplace health and safety framework.

We have new regulations dealing with working at heights and these commenced in September of last year: excavation, including trenches—and as you would be aware, there were two or three accidents on the Sunshine Coast in relation to trenches—protection of the public from falling objects on building and construction sites and the use of common plant and some housekeeping practices. These hazard based regulations seek to provide clarity on the standards that we would expect by the industry while at the same time allowing for flexibility depending on the environment and the circumstances of the workplace and what is happening there. They set out a mixture of performance requirements and relevant options that may be adopted to meet

those requirements. They are there to meet the obligations under the Workplace Health and Safety Act.

As I said, the new regulations for construction workplace amenities commenced in September last year. That happened after extensive consultation with both the construction industry and the trade union movement. Can I say that the workplace health and safety board works in a very effective manner and I have representatives from both of those areas on that board to work on these issues.

**Ms NOLAN:** I refer you to page 19 of the MPS. What is the government doing to improve the workplace health and safety performance in Aboriginal and Torres Strait Islander communities?

**Mr NUTTALL:** Like most honourable members, anyone who has visited Aboriginal communities cannot go away from those places without feeling a bit touched and wanting to improve the lot of those people living in those communities. When I became the minister, I asked my department what we were doing in terms of workplace health and safety in those communities. I spoke with the chairman of WorkCover as well in relation to that matter and we were able to secure some funding to commence some programs in these Aboriginal and Torres Strait Islander communities.

The whole aim of the project was about community based training and support programs to assist Aboriginal and Torres Strait Islander communities in addressing workplace health and safety issues for indigenous and, of course, non-indigenous staff in the workplace. There was a community review, which commenced in December 2001 and was completed in June of last year. That review prioritised the training needs for individual communities.

Once that project was completed, we then recruited appropriately qualified indigenous and non-indigenous personnel from within the department to deliver the training program to those communities. There was an external indigenous person who was previously a workplace health and safety officer who was also recruited. We delivered the training in two phases. The first phase in the community based training commenced in September 2002 and it was completed in May of this year. That involved an awareness program that was offered to all members of the community to promote occupational health and safety. Then there was supervised training of supervisors and gang leaders. They were the main point of instruction in supervision of workers in the community and they are also the primary point of enforcement for council and other legislative requirements.

The whole aim of the training was to provide support to building capability within each community for ongoing workplace health and safety improvements. We then had induction training, which provided all workers with the opportunity to attend brief training sessions. We tried to keep the training groups at a small level to minimise the impact of literacy problems with those communities. We used visual materials and tried to make the training interesting and tailored it specifically to various communities. We were very mindful to make sure that it was not one size fits all, because every community is different in its own right.

**Ms JARRATT:** Pages 18 and 19 of the MPS have a number of references to workplace health and safety compliance activities. Could you outline what the department has done to improve regional service delivery to increase compliance with workplace health and safety obligations in workplaces in Queensland?

**Mr NUTTALL:** We have across the state 20 district offices and that is broken into six regions throughout the state. Our responsibility, we believe, is to tailor compliance and enforcement resources to make sure that they have the greatest impact on occupational health and safety. We have a workplace health and safety enforcement framework and that outlines quite a number of key principles for making enforcement decisions. We target particular areas. We try to ensure that resources and investigation into compliance activities are primarily in those areas that create the most serious risk or where hazards are least well controlled and that we focus on the obligation holders who are responsible.

The areas that we targeted were—and we broke them into three areas in the last financial year—poor performers, the high-risk groups and industry sectors with a high profile. We used workers compensation claims data and data from the national intervention targets which are aligned to the national Occupational Health and Safety Commission's national occupational health and safety strategy. So that is how we helped to identify those areas. We looked at areas that experienced fatalities since January 1997 and those that had really poor workers compensation claims experience. Of the areas that we covered, the worst—and this would not come as a surprise to people—were the meat processing and manufacturing area, metal

production, wood production, construction and last, but certainly not least, the rural sector. The high-risk groups were young workers, including apprentices; workers of labour hire agencies; and people who were involved in hazard areas or manual tasks—people using chemicals and all of that sort of stuff.

As at the end of June this year, we had 178 full-time equivalent occupational health and safety inspectors. That has slowly increased. In 1998-99, it was 140; the following year it was 147; the year after that, 150; the year after that, 156; and now we have 178. To the end of June—the last financial year—we issued 12,694 improvement and prohibition and infringement notices and they were issued by Workplace Health and Safety. I am going to run out of time. There are a lot more statistics here. We have been working very hard.

**The CHAIR:** As an electrical fitter mechanic by trade, electrical safety is obviously of interest. Page 17 refers to the Ombudsman's workplace electrocution project. A number of recommendations arose out of the Ombudsman's workplace electrocutions project and the independent reviews of Workplace Health and Safety Queensland and the Electrical Safety Office, which you commissioned. What progress has your department made towards implementing these recommendations and improving workplace health and safety and electrical safety across Queensland?

**Mr NUTTALL:** I think on the first day that I was the minister the department called me in and indicated to me that there was a report coming from the Ombudsman which would be fairly damning of the way in which the government had been dealing with electrical accidents. We had a look at all the recommendations that arose out of the Ombudsman's reports, because there were a number of reports that he tabled. Then I commissioned an independent review by the electrical safety task force. We have managed to implement a number of initiatives that align closely with the recommendations that came forward—that is, as I have said, the development of stand-alone electrical safety legislation, and that was the Electrical Safety Act 2002 that was actually passed in the Townsville sitting of parliament, and the new electrical safety regulations which commenced on 1 October 2002.

There were a lot of reforms and obviously they were aimed at improving electrical safety. We tried to define quite clearly the obligations on a whole range of different people involved in the electrical industry. We had a new definition of electrical work, and that was an issue raised by the Ombudsman. There are three new codes of practice: one code for networks such as the underground and overhead powerlines; another code for safe working around live lines and live electrical parts, such as cranes working around powerlines and cane harvesters and those sorts of things; and just general standards for electrical work.

In terms of that, there was an enormous amount of support from the rural sector, the Electrical Contractors Association and the trade union movement. I have to say that I was really pleased with that, because I think that everyone acknowledged that we needed to lift our game. The reason that we have been able to put through new electrical safety laws and regulations with the support of both employers and employees—and I have to be honest and open and say with the support of the opposition—was that it was felt that it was long overdue. A lot of good work has been done on that and I think it is something that we should all be particularly proud of in terms of improving electrical safety. This year we had Workplace Health and Safety Week. I went out and visited a group apprenticeship scheme and talked to the young apprentices out there about electrical safety. Certainly, they were very mindful of it. That is good to see.

**Ms JARRATT:** Could you outline what the department has done to assist farmers to meet their workplace health and safety obligations in terms of funding programs aimed at rural Queenslanders?

**Mr NUTTALL:** Yes, what we have done from my department is that we wanted to coordinate our programs. We talked to Commerce Queensland, the Queensland Council of Unions and Farmsafe Queensland to try to facilitate the awareness of health and safety right through a broader constituency. I have met with the people from Farmsafe on a couple of occasions and I am pleased to say that they have been very supportive. We entered into a contractual arrangement with each of those groups for the provision of services in exchange for public funding. Each of those contracts terminated on 30 June 2002 and we have made arrangements to extend each of the programs during which an evaluation was being made on how effective they were. The review of the services of Farmsafe at the end of the previous contract led to the drafting of a new agreement, which featured a greater linking of advisory services of Farmsafe with the programs of Workplace Health and Safety in Queensland. We signed a new contract with

Farmsafe in 2002 which provided ongoing funding to Farmsafe of \$300,000 which we have indexed for the next three years.

My understanding is that Farmsafe Queensland is governed by a council which is made up of representatives from 22 key rural industry organisations who have an interest in rural safety. As such, it is recognised as the premium provider of independent health and safety services to the rural community.

The advisory services of Farmsafe Queensland support the specialist workplace health and safety inspectors in the rural sector. During 2002-03 the department worked closely with Farmsafe to integrate the rural safety program. An example of that has been the successful rural packing sheds audit and the combined seminars to rural communities about the new act amendments and, of course, the rollover protective structures on tractors, which I mentioned in my opening statement.

We have tried to improve standards of workplace health and safety on farms. There has been a significant reduction in the rate of work related fatalities on farms. Obviously that has been the ultimate goal of both my department and Farmsafe's rural program.

**Ms JARRATT:** Diving and the safety of divers are issues close to my own heart and to constituents of the electorate of Whitsunday and, indeed, the whole tourism industry on the coast of Queensland. Minister, could you please outline what the department has done to improve health and safety in the diving industry?

**Mr NUTTALL:** Unfortunately, here in Queensland we received some adverse publicity when a couple of divers were left on a reef, as you recall. It had a fairly dramatic effect. There was a lot of work that needed to be done. We needed to look at regulating recreational diving and snorkelling and diving in terms of construction work. In the last year there have been nine deaths resulting from diving accidents. These deaths have been in the recreational, construction and dive harvesting industries.

We have put in place legislative reforms and measures to try to prevent the recurrence of such tragic incidents. Some of these incidents are due to health problems. We cannot say that they are all due to bad work practices. We have to be honest about that. We have regulations in relation to recreational diving and snorkelling, with regard to the medical fitness of all divers, completion of a dive safety log after each dive, a count of all persons before and after a dive and the presence of a lookout, guide and rescuer.

As you would be aware, I visited the Whitsundays and spoke to some people from the dive industry at Airlie Beach. I also visited Cairns and spoke to people in the industry up there regarding the dive industry. We wanted to create a situation whereby, if people felt like coming to Queensland for a holiday to go diving, they could say that it is one of the safest places in the world to go diving. I think that is really important, particularly for the tourism industry in Queensland.

When I spoke to people in the industry up there, I found that they again acknowledged that they needed to lift their game. I think we have done that over the last three to four years. The numbers have been very strong. Notwithstanding problems with the tourism industry in general, the number of people snorkelling and diving is increasing. The industry has been very supportive of the changes we have needed to make, because it also wants to go out and say that it has the safest diving in the world.

**The CHAIR:** The time allocated for questions by government members has expired.

**Mr WELLINGTON:** Minister, in your ministerial statements you have referred to the government's Shared Service Initiative as a whole-of-government approach to corporate services. How will this impact on the Sunshine Coast? In particular, in light of your department's presence in Nambour, do you anticipate any changes to any of the services currently being delivered from Nambour?

**Mr NUTTALL:** When my department was formed it was initially the Department of Employment, Training and Industrial Relations. They were split under the new government to Employment and Training and separately Industrial Relations. While we have two separate departments, we kept the corporate services area together so that we would not have to break that up and have a duplication. That is where the shared services are.

I am sure there was a question on notice from you regarding some areas in Nambour. I want to reassure you that there will be no impact in terms of either the industrial relations inspectorate

or the workplace health and safety inspectorate in Nambour. I think there is a lease there for quite some time, and the services will be maintained. I want to reassure you.

**Mr WELLINGTON:** We are very proud of the services that your department provides to the Sunshine Coast from the Nambour office. We are very proud of the ease of access into Nambour. Some other areas have difficulty with traffic problems, but Nambour does not have that problem. We are more than keen to support you and your department to expand its presence in Nambour and on the Sunshine Coast.

**Mr NUTTALL:** I have visited the Nambour office and met with staff up there. It does cover a wide area. It is a strategic and important area for us as a government.

**Mr WELLINGTON:** I understand that the two federal electorates combined are seeing a net increase of 1,000 people a month—from Alex Somlyay in the north to Peter Slipper in the south. Fourteen hundred arrive and 400 leave, but there is a net increase of 1,000 a month in those two federal electorates combined. Are we seeing a significant increase in staffing and resources to your departments on the Sunshine Coast? There is significant growth happening, as you have already acknowledged this afternoon. You cannot get a builder. You cannot get a tradesperson. There is a waiting list until next year. I am concerned about staff resources to cope with this growth.

**Mr NUTTALL:** There are a couple of things there, I suppose. I did outline in an earlier answer that we had increased the number of inspectors in terms of workplace health and safety throughout the state. As you can appreciate, the growth is not just on the Sunshine Coast; it is right throughout the state. One of the things we will do this year is look at our funding programs—how we fund the Division of Workplace Health and Safety. You are right: given the growth in the state and the growth in jobs, we will need to increase the funding in that area.

I reassure you that we will be doing a strong evaluation of all of our areas, including the Sunshine Coast, to ensure that we have a proper inspectorate able to do its job properly. I cannot sit here today and quantify the number of additional people I would put into Nambour—I cannot do that—but I am more than happy to give you an assurance today that we will be looking at all of our areas, including the Sunshine Coast. It is important for us to make sure we maintain our presence on the Sunshine Coast in terms of inspectors and make sure they are not overworked. We are looking at how we fund the whole Division of Workplace Health and Safety in the near future.

**Mr WELLINGTON:** Minister, in your Ministerial Portfolio Statement you refer to future developments. You state that a departmental working party will also be examining building and construction industry non-compliance with superannuation requirements. Can you inform us what stage that working party is at, in light of the significant growth that is happening in Queensland? What resourcing are you proposing to provide to the working party, as in people to actually get out there and ask the difficult questions and not simply sit in an office and use the telephone?

**Mr NUTTALL:** The issue about non-compliance in terms of superannuation in the building and construction industry is one of those issues on which it depends who you talk to as to whether there has been compliance or not. One side has one argument and another side has another argument.

You raise a valid point in terms of the working group. There is a tripartite working group. We established that to investigate how bad the non-compliance was with the legislative requirements that we have in the building and construction industry. It will be examining all of the working relationships between the federal industrial relations laws relating to occupational superannuation recovery.

The working group is being chaired by my deputy director-general, Jim McGowan. It also includes representatives from Queensland Master Builders and the building unions and representatives with a specific knowledge of the occupational health and superannuation industries. The working group has met on several occasions. It has begun the work of establishing the level of non-compliance with superannuation requirements. Given that the chairman of the working group is here, I will ask Jim if he might like to expand on that.

**Mr McGowan:** We have actually done some initial research to try to establish the level of non-compliance with the occupational superannuation guarantee federally. On the surface there appears to be an issue. The number of workers and the number of people who are contributing to superannuation does not stack up. So there is seemingly a problem there. There is a debate between the industry players about how significant the problem is, although I have to say that the Master Builders Association, representing a significant proportion of the industry, is actually

concerned that there are builders who are not complying, because that affects the competitiveness of other people.

We have actually tried to have the Tax Office investigate the levels of non-compliance. It basically has chosen not to. At our meeting yesterday we agreed that we will look at engaging someone on a full-time basis for the next few weeks to actually do the research. Whether that is internal or external we have not actually finalised, but we will do it in collaboration with the groups. We want in particular to get some understanding about how the laws interact with one another and our capacity to do something versus the federal area and then to look at what strategies we might put in place, whether that is in areas of compliance or legislative changes that we might put in place.

**Mr NUTTALL:** You also asked about the resourcing of the organisation. That is resourced from within my department.

**Mr WELLINGTON:** What really concerns me is when we go into slower times and we see—we have seen it over recent years—a number of significant building companies go to the wall and we see that they have not fulfilled the requirements. We see the employees—the workers, the battlers out there—who always seem to carry the can, suddenly realise that payments have not been made. It is always too late. I would invite you to follow on with what you were starting to say in relation to resourcing to really make sure we do have compliance.

**Mr McGowan:** We appreciate that issue as well. One of the issues we are keen about is: what is the scope of our inspectors to go in and have a look at the books of different companies in relation to superannuation? That does go to issues of federal laws and the guarantee. I guess in a positive sense, the new changes to the way in which the guarantee is to be paid—it has to be every three months now, rather than annually—gives workers a bit more certainty about the money going in. You are right: there will be people who lose their jobs who have assumed that their employer is putting in the nine per cent. Then the company goes bust and the employees find that the money actually has not been contributed into a fund which has been protected from other issues.

Just as we have moved down the path of portable long service leave in the industry, to make sure that people moving from project to project are not disadvantaged, I think we understand that we need to look at how we apply that. There is a scope, I think, for the unions to give us greater capacity to do it by the award superannuation. Currently most awards still have three per cent, whereas the federal act says nine per cent. One of our current problems is that the inspector goes in and says, 'There is a superannuation issue here,' but the only power he has is in relation to the three per cent rather than the nine per cent, which the federal act changes. We are talking about having the awards updated so that they do provide for nine per cent. Thereby our inspectors can go in and take action to recover those moneys on behalf of workers.

It is complex and it crosses over a whole set of laws—tax laws, superannuation, the federal Workplace Relations Act and our IR Act. As I say, we are planning to report on what the level of compliance is, why it is not happening and what the strategies are that we can put in place to fix it. We have an agreement between the Master Builders and the unions that we will have that completed by the end of this year, and I am happy to provide briefings to you and other members of parliament in relation to the outcomes of that.

**Mr WELLINGTON:** I asked the minister a question this morning during the session about the level of support the minister had from the department. I think the minister handled himself very well. Minister, can I say to date I think you have answered nearly all the questions by yourself or with some minor assistance. Without being silly, my question is: have you considered why we need so many departmental staff here to assist in the support role? When we come to these estimates committees so often we see all the public servants sitting there. I know they are very focused and listening with a great deal of interest, but do we need to have so many here today, particularly with the technology that is now available to us? I am not aware of any instances where the committee has said, 'We demand an answer.' Usually we allow answers on notice.

**Mr NUTTALL:** You probably make a relevant point, Mr Wellington, and that is something that we will have a look at next year. I am not trying to be flippant or smart. It is probably more a custom and practice thing than anything else. The estimates process is not all that old really. I think it started the year after I came into parliament. The whole process is only about 10 years old. A lot of people who are here today have probably been part of putting budgets together, they have been part of the whole process and they are interested. But as to whether or not they have



to be here, you are probably right: with today's technology they can probably listen to the proceedings on the Internet. We will have a look at that.

**Mr SEENEY:** Minister, I refer you to page 4 of the MPS and the total expenditure for your department shown in the table headed 'Departmental financial summary', which shows that there will be a decrease of some \$662,000 in your estimated expenditure this year, even though last year your estimated actual was some \$5 million more than what you budgeted. Can you inform the committee why you are budgeting for a decrease and what services are likely to be cut or restricted to achieve that decrease?

**Mr NUTTALL:** Our budget is not a large budget by any stretch of the imagination. In terms of the overall budget of \$20 billion, our budget is only \$79-odd million. Every time a budget is prepared, Treasury asks us to look at how we can save money. It does that as a matter of course. We are not proposing to reduce any of our services. We are looking more at saving money in terms of a reduction in duplication. As you pointed out, we are going to decrease our budget. My deputy director-general has indicated to me that there are some programs that have come to an end. All programs have a life span and some programs have come to an end. The deputy director-general will indicate to you what programs have now been completed.

**Mr McGowan:** The major reduction is in relation to the review of awards. There was a requirement under the act that all awards had to be reviewed in a three-year cycle. That has been completed or is soon to be completed, and that effectively is \$650,000 which was previously allocated to support that particular function. So while there are minor adjustments in other parts of the program, the largest single issue there is \$650,000 as a consequence of the end of that particular program.

**Mr NUTTALL:** And Treasury did not want to leave us with the money.

**Mr SEENEY:** Minister, I am relieved to hear in your answer that you do not intend to cut any services, but I refer you again to the Ministerial Portfolio Statement on page 8, where you refer to Wageline. You suggest that it will be 'consolidated' to Brisbane and Townsville. How many Wageline offices will you close to consolidate it to Brisbane and Townsville and why?

**Mr NUTTALL:** We have looked at Wageline's delivery of service. Wageline used to allow people to ring to make sure that there was industrial relations compliance. Wageline received about 600,000 telephone inquiries in the last financial year. We have about 20 district offices throughout the state and what used to happen is that people could access Wageline through those district offices. We felt it was more beneficial to have just two centres—Townsville and Brisbane. None of those district offices have closed. The people responsible have been reallocated other duties, so they have not lost their jobs. We have a dedicated 1300 number and we also have the Internet.

What we did was we consulted with our staff, the Queensland Public Sector Union and the Office of the Public Service and we found that by redirecting telephone calls into a minimum number of contact centres that resulted in reduced caller waiting times and a reduction in the number of unsuccessful call attempts. There is also greater consistency of advice because we have people in two centres and our training is able to be improved. I hope that answers your question.

**Mr SEENEY:** So people in those regional centres lose the option of a face-to-face consultation? They have to ring somebody in Townsville or Brisbane?

**Mr NUTTALL:** No, they have two options. They can still go into any of my 20 district offices and get that information. The way it was operating was that if you lived in Ayr, for example, and you rang up you would get the Ayr office and if you lived in Mareeba—have I got an office in Mareeba?—or wherever it is you would get that office. What we have now is a 1300 number which goes to Townsville or to Brisbane, depending on where you are. If you want personal one-on-one advice you can still walk into any of those 20 district offices and get the information.

**Mr SEENEY:** And no jobs will be lost?

**Mr NUTTALL:** None at all.

**Mr SEENEY:** No staffing will be affected in any of those regional offices?

**Mr NUTTALL:** No, and that was a commitment we gave when we restructured Wageline.

**The CHAIR:** The time allocated for questions by non-government members has expired.

**Mr FENLON:** Minister, can you provide details of the recent agreement with the QPSU for a new core Public Service enterprise bargaining agreement? What are the key elements of this

agreement? When will public sector workers receive their wage increases under this agreement in their wage packet?

**Mr NUTTALL:** It is an important question. After a period of negotiation on enterprise bargaining, or the new agreement, we were able to reach a deal with the QPSU, subject to a vote by their rank and file, which I understand the executive of the union has recommended to members of the union that they accept. I understand the ballot is yet to be conducted. There are about 50,000 public sector workers covered by the agreement. It is the largest agreement in this state and it is one of the largest in the country. These 50,000 public sector workers are employed in some 37 government departments and agencies. As I have said in the media, I welcome the decision of the Queensland Public Sector Union executive to recommend this offer to their members that we were able to negotiate. It provides a fair and reasonable wage increase. It protects the rights and entitlements of workers, including their employment security. It also addresses the issue of workloads and fair career paths, and it continues this government's pretty strong track record in promoting the balance between work and family commitments.

The agreement is for 39 months from 1 May 2003 to 31 July 2006. The first pay rise of 3.8 per cent will be backdated to 1 June this year. Thirteen months after that—that is, 1 July next year—there will be another 3.8 per cent and thirteen months after that, on 1 August 2005, there will be another 3.8 per cent. It reflects our commitment to a skilled Public Service by enhancing the training initiatives which we agreed to in the last round of enterprise bargaining, but the union wanted some enhancement and we were able to reach agreement on that. There were times when the negotiations were a bit tough, but I am particularly pleased that, at the end of the day, while enterprise bargaining can be hard and tough, people from both sides—our side and the union's side—were able to reach agreement by sitting down and negotiating their way through the issues. I am particularly pleased that we were able to do that in a very constructive way.

**Ms NOLAN:** I have a question about a matter that affects many women and men in the public sector. What progress is being made towards the development of the state public sector as a family-friendly workplace?

**Mr NUTTALL:** I think as a minister there is no such thing.

**Ms NOLAN:** Indeed. It is not politics.

**Mr NUTTALL:** No. Do as I say and not as I do, I think. You raise a really important issue—the family-friendly workplace and work and family and how we find a proper balance. It is an issue that has been debated fairly widely within our society over the last six to 12 months, and we seem to read more and more about it and see more and more of it on TV. It was interesting listening to the radio the other day to hear people saying they had decided to reduce the hours they work and spend more time with their families. I note in one of the papers today that a company—I am not sure of the company's name but I think it is a telephone company—is wanting to increase the hours of work for its employees from 35 hours to 38 hours and is offering them a significant one-off pay rise to do it. The employees are saying they do not want the money. The money is not important. What is important to them is quality time with their families. We have a long way to go with that.

Child care is recognised as one facet of this issue. We also have the issue of aged care for older family members because we have an ageing population. We introduced a package in 2001. What we did for our employees was we enhanced the benefits in relation to paid adoption leave, prenatal leave and pro rata long service leave after seven years for parental purposes. In addition to that, employees who access paid maternity leave could elect to extend that leave to 12 weeks by taking it on a half-pay basis. There are a number of other family-friendly initiatives that we have in the Public Service such as flexible working hours. Employees already have access to family leave, special leave and paid maternity leave in those particular important times in their lives. I still think there is a long way to go and I still think we have a lot of work to do. We have to be very careful. While we can manage to do that in the Public Service, the private sector is the biggest employer and we have a lot of work to do.

**Mr FENLON:** Minister, what is the department's strategy to assist agencies to improve the capability of the public sector to operate effectively in a changing environment?

**Mr NUTTALL:** One of the things that we need to do as an employer if we want to attract the best possible people in the Public Service is that we have to offer good working conditions. I think that is very important. I think there are a number of factors that drive that for us. The community has fairly strong expectations and I think those expectations are increasing as they expect more

from their doctors, their teachers and everybody else. I think they also expect more from the Public Service.

There is no doubt that the Queensland Public Service of the future will play a fairly important role which will be different from the role it currently plays. If we look at those public servants who will join in the next five to 10 years, we need to make sure that they have the skills to operate in a changing environment. We began a process in July 2001 of trying to encourage government agencies to place a stronger emphasis on the development of the work force capabilities that will be needed into the future. We distributed what they call a work force planning tool kit to help them utilise work force data to gain a clearer picture of the current work force and the type of work force that they will need in the future. We are trying to take a more sophisticated approach in terms of our Public Service and the recruitment of public servants.

The other issue is that with our growing population there is a significant growth in the number of public servants who are over the age of 50. We need to make sure that we do not lose all that intellectual capital in one hit, because that then leaves a great void in the Public Service. We are very mindful of all that. We have done a lot of work to ensure that our Public Service of the future will be well equipped to deal with changes that will come about.

**Mr FENLON:** Minister, can you comment on what actions have been taken to ensure that public sector employment policies and conditions reflect legislative changes, industrial practice, government policy and broader social developments?

**Mr NUTTALL:** I have a division within my department called the Public Sector Industrial Employee Relations Division. They have the responsibility for developing and implementing the policies and employment conditions that the government of the day determines to be appropriate for its work force. Section 130 of the Industrial Relations Act requires the Queensland Industrial Relations Commission to review awards within three years of them being made. As a consequence of that the Public Sector Industrial Employee Relations Division has been responsible for a number of things. They have been responsible for representing the government in the public sector test case for the teachers' award, ensuring that 57 agency specific awards have been reviewed and consulting with all parties involved in the four major awards applying across multiple public sector agencies in order to develop replacement awards.

This process has been fairly involved and exhaustive. There has been a lot of exhaustive consultation with all public sector unions. There have been regular fortnightly hearings before the Queensland Industrial Relations Commission. We are now near completion of repealing some 19 public sector awards. New awards have replaced 16 of these. The most significant is the Queensland Public Service Award-State 2003 which commenced operation on 16 June of this year. Of the remaining 43 awards, 15 have been identified as no longer operative and are to be repealed. The remaining outstanding awards are nearing completion. This process has occurred simultaneous to the division developing a wages policy for the public sector and driving enterprise bargaining also in the Public Service.

As you can appreciate, the issue is that what we do in our Public Service is watched by the private sector fairly closely. We need to make sure that what we do is done in such a way that not only do we try to offer good working conditions and attract good people and people with great quality to the Public Service but also that this is done in such a way that the private sector is not left behind. When we went through the round of enterprise bargaining a number of people in the private sector would say to me quietly, 'How are you managing it? How is it being done? What are the wage offers that are being made? How did you come up with what you are doing?' The private sector watch us fairly closely in terms of our programs in the Public Service, but I think we are doing a fairly good job. I am ensuring that we retain our good quality people in the Public Service.

**Mr FENLON:** Minister, with reference to page 9 of the Ministerial Portfolio Statement, can you comment on how the Government Online Learning Delivery Project will enhance the training opportunities for Queensland public sector employees?

**Mr NUTTALL:** It probably follows on from what I was saying about having a fairly skilled and knowledgeable Public Service. One of the commitments we gave in the last election, in support of the Smart State vision, involved the implementation of a thing called the Online College. It is known as the Government Online Learning Delivery Project and it provides training and opportunities for the public sector with delivery of that through the Internet.

The Queensland public sector now has e-learning and development opportunities regardless of their geographic location or their family responsibilities 24 hours a day, seven days a week

because it is there on the Internet. They have been given a fairly unique opportunity through this project to develop their skills, which can obviously lead to improved career prospects, productivity, employment security and working conditions.

TAFE Queensland Online is playing a key role in developing the technical infrastructure to support the project. There has been funding allocated of \$1.05 million over a three-year period from 2001-04. That includes an allocation of \$300,000 for the current financial year. That meets the cost of developing and utilising the infrastructure through TAFE Queensland Online as well as the development of appropriate learning materials and products.

The second year of the implementation has just been completed. The project now delivers accredited e-learning materials developed to support the training opportunities provided by the state government certified agreement back in 2000. I mentioned that before. It provides accredited training in competencies for employees in the 002 to 006 and A02 to A04 employment levels. Further learning materials to meet the diverse skill development priorities of the public sector will also be developed as the project is rolled out. In the future it will provide e-learning and development programs from agencies and potentially other training providers such as universities and private registered training organisations. The project is presently coordinated through my department. There is a project management committee which provides advice to the government on this issue.

**The CHAIR:** Thank you, Minister. There are no apologies for rattling the can on behalf of Queensland sparkies, but earlier you outlined the significant changes introduced by the Electrical Safety Act to protect the electrical safety of all Queenslanders. Can you please outline how this has been communicated to the state's electrical workers who face electrical hazards every working day?

**Mr NUTTALL:** It is an important question, because one of things that I do not think governments in general do well is that we make new laws or do new things and we never relay it out there to the great mass in voter land. I was very mindful of that. When we developed the new electrical safety laws we sat down with the industry and looked at how we would get the message out and how we would deliver what the new requirements would be.

In August 2002, which was about seven weeks before the new legislation started, I sent out a letter to all licensed electrical workers. We sent out over 30,000 letters. The letter included information on the new legislation as well as an invitation to attend free information sessions running throughout the state. We did that in partnership with the union and the employer organisation. From September to early October last year we did 96 two-hour sessions and we conducted them at 43 locations throughout the state. Some 34 of those sessions were held in regional areas throughout Queensland. Electricians from as far away as Cairns and Cunnamulla had the opportunity to hear about the new act. We thought we would probably get about a 10 per cent turnout in terms of these sessions. In the end, over 10,000 people attended, or about a third of all licensed electrical workers. When we thought we would get 10 per cent we got about 33 per cent, which was an enormous response. We were particularly pleased about that. It was very important to get across the state.

The department, in partnership with the Department of Employment and Training and the Building and Construction Industry Training Fund, is now developing an accredited training program for electrical workers that will be delivered throughout the state over the next two years and will be available to all electrical workers in the building and construction industry. It is expected that will have 12,000 participants who will then have the knowledge and skills to assist them in complying with the legislation. We are developing a similar course for electrical contractors that will focus on their statutory obligations as employers, particularly in respect of the safety of electrical workers and the general public. We are trying to adopt a holistic approach to safety with support from both employers and unions. I think it will work well.

**The CHAIR:** Thank you, Minister. There are approximately 18 minutes remaining in this session of the hearing. Under sessional orders it will be divided equally between the government and non-government members. I call on non-government members, beginning with the member for Gympie.

**Miss ELISA ROBERTS:** According to the description of workplace health and safety services as outlined in the 2003-04 budget it states, inter alia, that one of the primary aims is to improve workplace health and safety. I assume that all state employees are entitled to reasonable working conditions. My question relates to the workplace environment, in particular the Workplace Amenities Advisory Standard 2000, of which I have a copy. It states that—

Where air conditioning is not installed the inside temperature should not exceed by more than three degrees Celsius any outside temperature of 22 degrees or more.

Minister, can you explain why teachers employed by the state government in schools within my electorate are not entitled to the same workplace standards as other state employees when the summer months see teachers working in environments way above the 25 degree temperature as recommended by the workplace standard?

**Mr NUTTALL:** Firstly, it is an advisory standard. In terms of teachers in classrooms, you would appreciate that that probably is a matter for the Education Minister. But having said that, I am happy to try to answer your question; I am not trying to duckshove it. We have a rollout program for airconditioning of our state schools. It started up in the far north. That is being done and it comes down to a certain line. I cannot tell you where that program is or how much we have spent on that program, although I do know it is significant. I honestly cannot tell you when we started the program of airconditioning schools. I think it was in the last term of the government.

**Mr SEENEY:** The Borbidge government.

**Miss ELISA ROBERTS:** Get your plug in.

**Mr NUTTALL:** There you go; credit where credit is due.

**Mr SEENEY:** You kept it going.

**Miss ELISA ROBERTS:** Except in Gympie.

**Mr NUTTALL:** I gather from your question that you are saying teachers in Gympie should have airconditioning. If teachers in Gympie need airconditioning, I think the kids out west and the kids in far-north Queensland probably need it first. I think that is where the priorities were and they have worked their way down. It is only an advisory standard.

**Mr SEENEY:** I noted last year that you advised this committee that the contract that your government had with former Prime Minister Bob Hawke was administered by the Premier's Department. Could you inform the committee today whether you know how much that contract with Bob Hawke was, and do you think your department got good value for money?

**Mr NUTTALL:** I think a journo asked Bob Hawke that at a press conference and copped a bit of a whack. With all due respect, my advice is that, yes, it was administered and funded by the Premier's Department; it does not come within my portfolio statement. It was not funded through my department.

**Mr SEENEY:** Has your department benefited from Mr Hawke's contract with the Premier's Department?

**Mr NUTTALL:** We now have a new protocol document with the trade union movement in general, both with the AWU and the Queensland Council of Unions, in terms of the way we deal with enterprise bargaining. The report made a number of recommendations, some of which we adopted. We were able to reach agreement with the trade union movement on a new protocol. That protocol was signed by some 19 unions and was lodged in the State Industrial Commission and has been a great help to us in terms of the recent rounds of enterprise bargaining. I think it has been good for us.

**Mr SEENEY:** The protocol was with the public sector unions, was it not?

**Mr NUTTALL:** That is right. The review was only about the public sector.

**Mr SEENEY:** You mentioned the AWU. It was not part of it?

**Mr NUTTALL:** But it does have employees in the public sector—in Health and DPI.

**Mr SEENEY:** Was the protocol signed by all of the public sector unions?

**Mr NUTTALL:** Yes, except for the police. In terms of the reason the police did not sign it, the enterprise bargaining agreement with the police is a five-year agreement and the protocol document that we signed was only a three-year agreement. The nurses are covered by a federal agreement, so they did not sign it, either.

**Mr SEENEY:** Since the protocol has been signed, have all of those public sector unions abided by the conditions of the protocol? Is the protocol producing benefits in terms of better industrial relations with the public sector unions?

**Mr NUTTALL:** I would be less than honest if I did not say that it has been mixed. In terms of a range of areas it has worked very well. In terms of the teachers dispute it did not work at all. It totally failed. I would be less than honest to say that it was perfect, but in the main it has worked well for us. But again, there were a number of recommendations, and we developed this protocol

document. It was one of those things. That is why we only agreed to it for three years; we wanted to see how it would work. I think it has worked reasonably well.

**Mr SEENEY:** Have any of the unions that were originally signatories to that protocol document withdrawn?

**Mr NUTTALL:** Yes. The Queensland Public Sector Union wrote to me and said it had withdrawn. But having done that, from my side of it, as the employer, we still followed our commitment under the protocol document and we were still able to reach agreement without losing any full day of industrial action through the QPSU.

**Mr SEENEY:** So if the protocol was the main benefit from Bob Hawke's employment, the department never gained much at all from that, did it?

**Mr NUTTALL:** No, I do not accept that. I think we did quite well out of it.

**Mr SEENEY:** We got a protocol that does not work and which unions are withdrawing from?

**Mr NUTTALL:** No, not all the unions have withdrawn from it. I think I said to you that some 19 unions have signed up. One union has withdrawn and another union chose not to follow it—the Teachers Union. We are now in arbitration with the Teachers Union. But the rest of the unions have followed it and it has worked fine.

**The CHAIR:** Thank you, Minister. The nine minutes that we allocated for questions by non-government members has expired.

**Ms NOLAN:** Can you advise the committee of the Queensland government's position in relation to the Productivity Commission inquiry? What are the risks for the workers compensation scheme in Queensland?

**Mr NUTTALL:** This is an important area. This issue was raised at a ministerial council meeting by the federal Workplace Relations Minister, Minister Abbott, indicating to all of the states and territories that he was intending to conduct a Productivity Commission inquiry into the workers compensation scheme. He indicated that to us last year, and on 13 March this year they announced that they would be having a look at models for establishing a national framework for workers compensation and occupational health and safety.

The Productivity Commission is required to report to the federal minister by 30 November, or within 12 months of receipt of the reference, which would take it to March 2004. The terms of reference were decided by the Commonwealth government and they require the Productivity Commission to focus on developing a possible model for a national framework. Since that time, the federal minister has stated on the public record that he wants a national system for workers compensation. That would have significant implications for us in Queensland.

I indicated to the committee earlier that we are the only solvent scheme in the country. We have the cheapest premiums. We are the envy of the other states. We do have a bit of a competitive advantage in terms of employers wanting to establish business in Queensland. We believe it would have significant implications for us here in Queensland. I am also worried about the potential of the impact of a national workers compensation scheme on small and medium sized businesses in Queensland. I think it would have a dramatic effect in terms of an increase in premiums.

The Commonwealth government failed to include a specific reference to issues affecting small business in terms of the workers compensation scheme. Again, as I said, that in my view will create some problems. The time line of 12 months, in my view, is too tight. That does not allow for a thorough assessment of the impact of having a national scheme versus all of the schemes that exist at the moment. I think we have got some interesting times ahead in terms of that. There was a Productivity Commission inquiry about 10 years ago into this same issue. It is not something that we would be supporting as a government.

**The CHAIR:** Realising that we can never hear enough about the Sunshine Coast, could you advise how the needs of injured workers and employers on the Sunshine Coast are being met?

**Mr NUTTALL:** Last year, 3,456 workers located on the Sunshine Coast sought assistance from WorkCover, which is quite significant. We have an office in Nambour. We have also opened a new office at Warana because of that significant growth.

**The CHAIR:** On a very busy road, I believe?

**Mr NUTTALL:** Yes, that is right. We felt it was important that we covered all of the areas of the Sunshine Coast. Our statistics show that there are some 1,006 local businesses that are registered with WorkCover. Obviously, the whole issue of claims management is really important

in terms of looking after injured workers. What we have tried to do with WorkCover is continue to equip the people in WorkCover with the right skills to provide an excellent service to employers and to the workers. We have some 25 staff on the Sunshine Coast dedicated to working with local employers and injured workers to manage their claims. It is quite significant. That again comes back to, as the member for Nicklin indicated, the growth on the Sunshine Coast.

**Mr FENLON:** On page 20 of the MPS it states that amendments to the workers compensation legislation in response to the national competition policy were introduced into parliament. Could you please explain how the government has met its requirements following the national competition policy review of the WorkCover Queensland Act 1996?

**Mr NUTTALL:** There was a major recommendation of the national competition policy when it reviewed our WorkCover Act of 1996 in terms of separating the regulatory and commercial functions of WorkCover. Under the previous legislative arrangement, Q-COMP actually reported to the board of WorkCover, and the national competition policy review indicated that it should be separated. We introduced the Workers Compensation and Rehabilitation Act 2003, which became effective from 1 July. The change in the name of the legislation better reflects the separation between WorkCover and the regulator and the need to focus on rehabilitation for injured workers as an important element of the scheme. It is something that I have been very focused on in terms of the WorkCover scheme, that is, the rehabilitation of injured workers.

Q-COMP now is a separate statutory authority with functions essentially the same as those it previously undertook when it was a division of WorkCover. It highlights the independence and impartiality of its decisions. There was some criticism in particular by self-insurers and other insurers that Q-COMP was too close to WorkCover. Putting through those legislative changes addresses the issues of concern to them as well as addressing the issues raised by the national competition policy review.

It also allows Q-COMP then, as I said, to focus more greatly on the rehabilitation programs both for injured workers and those programs that are provided by employers. The act maintains premium settings and fund management as part of WorkCover's functions together with insurance underwriting and service delivery. It continues the prudent financial management to ensure that Queensland's workers compensation funds continues in its fully solvent state.

These policy and legislative development functions previously undertaken by both entities will be centralised within my department allowing for a more focused analysis of the scheme wide issues. The WorkCover board reports to me on a quarterly basis and under the legislation Q-COMP will also be required to report to me on a quarterly basis to ensure that they are complying with the act. It allows me as a minister to keep a close eye on the operations of both organisations.

**The CHAIR:** The time allotted for the consideration of the estimates of expenditure for the Department of Industrial Relations has now expired. I thank the minister and his officers for their attendance. The hearing is now suspended for afternoon tea and will resume at 2.45 p.m.

**Mr NUTTALL:** Just before you close, could I just thank the committee for its courtesies today. I would also like to take the opportunity to thank my staff and my departmental staff, seeing as they are all here as pointed out by the member for Nicklin, for their assistance in today's estimates hearings. Thank you.

**The CHAIR:** The hearing is now suspended for afternoon tea and we will resume at 2.45 p.m. when we will examine the portfolio of the Minister for Education.

Sittings suspended from 2.31 p.m. to 2.45 p.m.

**EDUCATION****IN ATTENDANCE**

Hon. A. M. Bligh, Minister for Education

Mr J. Varghese, Director-General

Mr M. Watt, Senior Policy Advisor

Mr K. Smith, Director-General of Education

Mr B. McHugh, Assistant Director-General, Planning, Resources and Performance

Ms R. Logan, Director, Strategic Resource Management and Chief Finance Officer

Ms K. Herschell, Manager, Executive Services

**The CHAIR:** The next item for consideration is the estimates of expenditure for the Department of Education and the time allotted is three and a quarter hours. I remind members of the committee and the minister that the time limit for questions is one minute and the answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. An extension of time for answers may be given with the consent of the questioner. A double chime will also sound two minutes after an extension of time has been given.

The sessional orders require that at least half the time available for questions and answers in respect of each organisational unit is to be allotted to non-government members. Any time expended when the committee deliberates in private is to be equally shared between government and non-government members. For the benefit of Hansard, I ask all departmental officers to identify themselves before they first answer a question.

These proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In that regard I remind members of the public that, in accordance with standing order 195, any person admitted to a public hearing may be excluded at the direction of the chair or by order of the committee. The sessional orders provide that a member of parliament who is not a committee member may, with the committee's leave, ask the minister questions. I do not believe we have any other members in this sitting.

In relation to media coverage of the Estimates Committee C hearing, the committee has resolved that still photographs and silent television film coverage may be permitted for the first five minutes of each department. My final request is that, if you have a mobile phone or pager, would you please make sure that it is turned off. If you have phone calls to make, please do so outside the chamber.

I now declare the proposed expenditure for the Department of Education open for examination. I will just mention that, with the permission of the committee, the minister has agreed that this time frame will go from 2.45 till 6.10 p.m. with a 10-minute break at 4.30 to 4.40. So please note that. The question before the committee is—

That the proposed expenditure be agreed to.

Minister, would you like to make a brief opening statement?

**Ms BLIGH:** Yes, thank you. Before making an opening statement can I, for the benefit of Hansard, introduce the officers at the front table? To my left is the Director-General of the Department of Education, Mr Ken Smith; then officers Karen Herschell, Bob McHugh and Rita Logan; and on my right, Murray Watt, my Senior Policy Adviser. I thank the chair and members of the committee.

In this year's budget, the state government has directed funds to where we believe they are needed most, that is, in Queensland's classrooms to create inspiring, safe and comfortable learning environments for all students. Combined with the implementation of *Queensland the Smart State—Education and training reforms for the future*, the budget will progress initiatives that make the state's education system more responsive to the needs of students in the 21st century. The budget delivers more teachers to reduce class sizes, extra resources for students with disabilities, additional computers and better facilities for schools.

The state government will appoint substantially more teachers in 2004, delivering on its election commitment to provide 800 extra teachers over four years to help reduce class sizes,



support students with disabilities and underpin behaviour management strategies. In total, 636 extra teachers will be employed from semester 1 2004, including 327 teachers to meet the final instalment of a commitment for an extra 800 teachers, 249 teachers to meet enrolment growth and 60 teachers as part of the second stage of a \$60 million initiative over four years to support students with disabilities.

By meeting this commitment the government has given education the single largest increase in classroom teachers and the only one focused on reducing class sizes since 1980. At a cost of around \$42 million a year, these 636 extra teachers represent a massive investment in our state's young people. In its entirety this budget affirms our government's commitment to the future of the Smart State and the education reforms that will ensure our children and their children prosper.

Recurrent expenditure has been increased by 5.8 per cent, taking the total recurrent 2003-04 budget for Education in Queensland to \$4.488 billion. In this budget the state government has also announced two programs that will further enhance school facilities across the state, firstly, the Building Inclusive Schools Program, which provides \$50 million over the next five years to improve facilities for students with disabilities. The first instalment of \$8.2 million in 2003-04 will benefit some 45 schools. The second initiative, the Smart Schools Renewal Program, is a \$45 million three-year program which will upgrade around 50 schools in line with reforms such as integrating ICTs in the classrooms or improving vocational education opportunities. These initiatives are part of the capital works program that has increased by 4.8 per cent on last year and is up now to \$257.2 million.

The state government's focus on improving student literacy will continue with a \$155 million package in this budget. Strategies such as Literate Futures will be progressed through initiatives such as embedding a whole-school literacy strategy in every state school, supporting 21 learning and development centres for literacy and supporting innovative resources for the teaching of reading. The government's commitment to ensuring that students get early help with reading will continue through the Reading Recovery Program, and \$800,000 will be provided to support the education of children and young people who are in care.

Other highlights of this year's budget include an additional \$12 million to support students with disabilities in state and non-state schools; \$67 million, including new funds of \$35.6 million allocated as part of the ICT package, to increase computers and Internet connections at school; \$6.8 million out of \$18 million over three years for the Preparing for School trials; \$40.3 million over three years starting with \$7.3 million in this financial year for reforms to senior schooling; funding of \$112.7 million allocated for staff wage rises pending the outcome of enterprise bargaining and arbitration; \$19.4 million for airconditioning projects at state and non-state schools under round four of the Cooler Schools Program; a continued commitment to the professional development of teaching and non-teaching staff with an allocation of \$39.7 million and more than \$26 million for a range of behaviour management strategies; state funding of \$303 million for the non-state schools; and new schools at Sippy Downs on the Sunshine Coast and at Somerset Drive, Mudgeeraba.

It is vital that our government gives young people every chance to succeed. Higher qualifications, skills and training are essential in a highly competitive and globalised society. With the initiatives that I have outlined in detail along with others in the budget or those that are already in place or being planned, I am confident that our young learners will be equipped for the challenges they will confront in a very rapidly changing world.

**The CHAIR:** May I also acknowledge the presence in the gallery of the Parliamentary Secretary for Education, the member for Bundamba, and the Government Whip. The first period of questions will commence with non-government members.

**Mr COPELAND:** At the outset I thank you, Minister, and your ministerial and departmental staff not only for the time they will spend here this afternoon but also for the preparation for these hearings. I also thank those members of the opposition office who assisted me in the preparations. You will be very shocked, Minister, that my first question is about teacher numbers! Why on MPS page 1-6 are you only allocating 249 teachers for enrolment growth when in actual fact the trend data and departmental calculations provided in answer to question on notice No. 1776 on 28 November 2002 stated that 510 teachers were expected to be employed to meet enrolment growth?

**Ms BLIGH:** I am not sure if you have the tables that were provided in answer to the question on notice that you refer to, but it might help if you have them in front of you. First of all, I appreciate that the presentation of the material in those questions was perhaps less clear than it

could have been. I am happy to provide background to the preparation of the data that I think reconciles the figures for the member.

For the period of 2004, which I think is the period in question, the data recorded that across both primary and secondary education, as you have identified, it was predicted we would employ approximately 510 extra teachers. There was then another column which indicated an allocation out of the 800 and in 2004 said 'not approved yet'. As I said, it is not clear, but in the development of the data the officers responsible for preparing the material provided a notional allocation of the 800 into primary and secondary. So the 510 actually includes the last tranche of the 800 teachers. I should say that it did not provide this full 327. It notionally allocated 270 of the final tranche of the 800. As I think the member is aware, there is an agreement with the Queensland Teachers Union that a certain number of that 800 teachers would be held aside for the trial of the prep year, and those numbers were also excluded from the preparation of the answer for the member.

In essence, the prediction for projected growth in the answer that was provided to you to question on notice No. 1776 in December was based on a projected growth of about 240.6 teachers plus a notional allocation across the primary and secondary areas of 270 out of the final tranche of the 800 teachers. As I said, I do not think that was presented as clearly as it could have been. I hope that reconciliation has assisted.

So the projected need of growth of 240.6 in December last year is now revised—as you would expect it will continue to be throughout the year—and recorded in the MPS as a projected growth number of about 249. So it was around about the right figure, but it will not be confirmed until day eight next year.

**Mr COPELAND:** The 249 is approximately, on my calculations just in my head, around 117 fewer teachers employed than 2003 required for additional growth. Could you advise what the growth figures in student numbers were to get that calculation for 2003 and the corresponding information for 2004 to show that the requirement is actually 117 less than the 2003 school year?

**Ms BLIGH:** Are you talking about the teachers who were employed to meet enrolment growth in this year?

**Mr COPELAND:** This year—the 2003 year. At the start of 2003, by my calculations from the same question on notice, it is 366.4. So this year's requirement—the 2004 year—

**Ms BLIGH:** I understand the question. Again, the answer to question on notice No. 1776 in relation to the 2003 year indicates a projection of 366 new teachers, and 158 of those were from the 800 additional teachers. So you will see there is 129 for growth and 236 predicted for both primary and secondary. In fact, 208 were ultimately employed to meet growth, and 158—that is the basis of the prediction on the QON. You are asking how many actually started? I think we have that data. I am just looking for the teachers who started on day one this year to meet enrolment growth and you want to compare that to the answer to the question on notice.

**Mr COPELAND:** And also the difference between those extra numbers of teachers for the start of 2003 and the expected numbers for 2004 and the corresponding decrease in student numbers that is expected to reflect that. It is not as big an increase.

**Ms BLIGH:** You will appreciate that the prediction that was provided in the question on notice in December was a prediction that is then subsequently validated on day eight. I am sorry, I do not have that figure right to hand. I will just get it for you. I will be able to provide it in a couple of moments and then answer the question in more detail. So if you want to go on to the next question—

**Mr COPELAND:** And the students. I am happy to take that on notice. That is fine.

**Ms BLIGH:** Yes.

**Mr COPELAND:** Just a further clarification—and referring back to question on notice No. 1776 where it has the predicted additional teachers for growth and then the additional teachers for the election commitment—am I to understand that those additional teachers for the election commitment are actually part of the 129.8, for example, in the preschool and primary? So the 121—

**Ms BLIGH:** No.

**Mr COPELAND:** That is incorrect?

**Ms BLIGH:** In the 2003 year, in the column that is headed additional teachers, preschool and primary, and it says 129.8, that was a prediction for teachers that would be needed for

growth. The next column, in preschool and primary, is the allocation to preschool and primary schools out of the 800 additional teachers to meet the election commitment. Does that make sense?

**Mr COPELAND:** That was my understanding.

**Ms BLIGH:** The problem that I raised in the earlier answer was in relation to 2004, where because we had not at that stage—and still have not—finally approved which schools the new teachers will go into for the beginning of the 2004 year, they were unable to put a definitive number in that column. But they did actually include them in the calculation on a notional basis, on a pro-rata basis, of how many kids are in primary and secondary.

**Mr COPELAND:** And you will take on notice the number of students corresponding for 2003 and predicted in 2004?

**Ms BLIGH:** Yes.

**Mr COPELAND:** Further to page 1-6 of the MPS, there is a figure quoted of 147 teachers to support students with a disability for semester one 2001 as part of the election commitment of the 800 students. When did those 147 teachers actually begin with Education Queensland?

**Ms BLIGH:** They started in term one of 2001.

**Mr COPELAND:** So how can they then be included in an election commitment for an election that was held after the beginning of term one in 2001?

**Ms BLIGH:** The 800 teachers were part of both an industrial agreement in settlement of an enterprise bargaining arrangement with the Teachers Union that was then consequently confirmed by the government and made an election commitment. The obligation on the government arises from two sources. One is an industrial agreement reached with the Queensland Teachers Union and that agreement was reached in, I think, about August 2000-01, and the first allocation would go into the next term, or the next school year. In the lead-up to that school year, the government confirmed its commitment as part of the election campaign.

**Mr COPELAND:** And again, those figures were not included in that question on notice No. 1776 and that is perhaps where some of the—

**Ms BLIGH:** Although—I know that it is not entirely clear—it actually does make reference to it in the lead-in to the table and it actually notes that it should be noted that this table does not include the additional teacher numbers or the 147 additional from the 800. So that one I know could have been presented better, but it does actually acknowledge those numbers there.

**Mr COPELAND:** With the teacher numbers in the career change program, there have been 548 teachers, I understand, who have taken the career change program—522.4 full-time equivalents I think it is. Does the allocation of 249 plus the new additional teachers to meet the election commitment cover the net figure after those 522.4 FTEs have been taken out of the equation?

**Ms BLIGH:** No, all of the teachers who accessed the career change program were all replaced by new graduates. So that is a completely different program. The enrolment growth is met by the normal allocation model. The 800 are for teachers over and above what would have normally gone into the system for enrolment growth. The teachers who accessed the career change program were all replaced as part of that program. So for everybody who took a package out of that program, that position was replaced by a graduate teacher and that is where the savings are generated from.

**Mr COPELAND:** So there are no outstanding positions at all, of those people who did take that career change, that are still vacant?

**Ms BLIGH:** Not to my knowledge.

**Mr COPELAND:** I turn to page 1-15 of the MPS regarding behaviour management. The behaviour management specialists who were employed a number of years ago have remained at 300 specialists and that has not been increased again in this budget of 2003-04. Student suspensions and exclusions have increased by over 55 per cent in the last two years, indicating that there are some serious problems with behaviour management. When will that number of 300 behaviour management specialists be increased?

**Ms BLIGH:** I thank the member for the question. There are a couple of parts to it. I should say that there is now validated data on student exclusions and suspensions up to the end of term two, which does show a stabilisation on the rate per 1,000. That is down from, I think at the end of last year, about 18 per thousand incidents to 17.1 per thousand incidents, which indicated that,

while it is staying relatively stable—and you would expect a bit of fluctuation—it would not be reasonable to characterise it as escalating madly.

In terms of support for our schools in relation to behaviour management, that support is provided in a number of ways. Behaviour management teachers are one component of that support. I think that I have answered questions from you in the parliament in the past about other support that is provided through things like the school nurse program and guidance officers. Our government has made a commitment as part of the education and training reforms to employ 100 new youth support coordinators who will work with young people in our schools who are having difficulties. There is also a grants program associated with the education and training reforms where areas will be eligible to apply for things such as alternative sites for young people who are perhaps not best suited to mainstream schools. So with those 100 extra staff there is a significant investment into the additional needs of students who are facing difficulties. They are not in the category of behaviour management teachers, but I think that this has to be seen in the context of a range of supports that different people access in different ways in different circumstances in different school communities.

**Mr COPELAND:** Moving on to page 1-62 of the MPS, property, plant and equipment of the new schools expected to be completed for the 2004 year, have any delays been experienced or have there been any concerns voiced to indicate that the schools may not be ready for the start of that school year?

**Ms BLIGH:** You are talking about new schools that are yet to open?

**Mr COPELAND:** Yes, that is correct.

**Ms BLIGH:** There are only two in this year, Mudgeeraba and the new facility at Sippy Downs. There are other schools which are seeing the next phase completed. But at this stage, no, it would be far too early. We have plans in place for every school that is due to open on day one next year to open on day one next year. But you will appreciate that in Queensland, weather often gets in the way of everything being perfect on day one and we do what we can. So at this stage it is far too early to predict. The plans are all on track, but given the unpredictability of some of the circumstances that are faced by the building program, that is something that will have to be monitored.

**Mr COPELAND:** Has the Department of Public Works given any indication to your department that the current practice of constructing schools is actually costing the department more than they would expect it to be costing?

**Ms BLIGH:** I am not aware of any formal approaches. Obviously, there are constant discussions with the Department of Public Works who are, for most of the major projects, the project manager. There are constant discussions, as I would expect there to be, between officers of Public Works and my department and the facilities program in the department. Because of the tight time frames that schools are built in and because, unlike many other building projects, we cannot say, 'We will delay that by two months' because we actually have children ready to enrol, that does sometimes put the building program under pressure, particularly when the last four or five weeks of the building program is the wettest season of the year. That does mean that there are often penalties in the contracts or variations that have to be put in place. So not every project comes in exactly to the prediction. Sometimes they come in under; sometimes they come in over. There is, as I said, on each project constant discussions between the relevant officers.

**Mr COPELAND:** Further to those capital costs, the capital works completed for primary education has been completed at a cost of \$107 million. That appears on page 1-33 of the MPS. Why is this \$10 million more than was budgeted in the 2002-03 budget, which was at \$98.3 million and there has been one less school built than was budgeted—that being, of course, Somerset Drive, Mudgeeraba, which has replaced Bonogin and Reedy Creek?

**Ms BLIGH:** Sorry, you are talking about page 1-33 just above 'Future Developments', completed capital works at a cost of \$107 million?

**Mr COPELAND:** Completed capital works. That is correct. It has come in at \$107 million as opposed to a budget of \$98.3 million

**Ms BLIGH:** Yes, in relation to primary education there are a number of factors. I could give you a breakdown of some of the projects.

**Mr COPELAND:** If you could, that would be helpful.

**Ms BLIGH:** There are some projects that, with the best will in the world, you make a prediction and then find something on the site that makes the cost of the project significantly

more and until you have actually got the bulldozers on site, there is no way of knowing that. The major variations are due to a combination of factors, predominantly construction industry market fluctuations. There has been an increase in the building price index. That has affected everybody from home builders through to major construction companies and in a capital works budget in the vicinity of a quarter of a billion dollars, that does have a significant impact.

There has been in some cases, as you know, a delay in one of the schools—in relation to Somerset Drive. In order to achieve the budget, significant savings have occurred in some major projects through improved efficiency and refined delivery. But obviously, there have been some projects where the costs have risen. I have answered a question on notice in relation to this. If the member requires an update on every project or has a particular project in mind, and if you want to give me the details—

**Mr COPELAND:** Perhaps with all of those projects that are included in that budget of \$98 million—the total budget has come in at \$107 million with one less school than was included in that \$98 million—if you could provide a breakdown of that on notice, that would be good. Further to that, with Somerset Drive, that was the replacement that was originally budgeted for in the 2002-03 year. In that original budget at Bonogin it was estimated to cost \$3.42 million. It is now estimated to cost \$10.17 million. That is a fairly high blow-out. What are the reasons for that?

**Ms BLIGH:** That is a straightforward answer. It was originally forecast to open this year as P-3. Given the delay, it is now possible to open it as a P-7 in 2004. So the original projection was that it would be opened in stages.

**Mr COPELAND:** Just returning to the career change program, would it be possible to have confirmation on notice—I do not need it immediately—that, in fact, all of those positions have been filled? You have said that to your understanding they have been, but if we could just have that confirmed?

**Ms BLIGH:** Yes. I need to clarify the question. At the point at which the vacancy occurred, it was filled. That does not mean that somewhere down the track, if there has been a decline in enrolments at the school where the position was, that position may no longer be at that school but it will have moved to a school where the enrolments have grown. But in terms of net across the system, that is what you are looking for?

**Mr COPELAND:** Those 548.

**Ms BLIGH:** There are 548 who have left and there are 548 —

**Mr COPELAND:** Replacements.

**Ms BLIGH:** Absolutely. Yes.

**Mr COPELAND:** I move to user charges, employee housing, which appears at page 1-36 of the MPS. I refer to a 21 per cent increase over budget in user charges across primary and secondary education. Explanatory note No. 2 advises that this increase is as a result of increased revenue from employee housing and miscellaneous fees and charges. Could you please explain the increase in the employee housing returns?

**Ms BLIGH:** It is not necessarily an increase in the rents, but an increase in revenue from the rents. That varies as you have more teachers coming into the system. For example, a three-bedroom accommodation that had two teachers in it last year might have three teachers in it this year. So as more teachers enter the system and as you see growth in some places where employee housing is available, you would expect to see more teachers paying rent because there are more teachers living in it. That growth there is not only explained by rents, it is also explained by a number of other miscellaneous fees and charges. If you want more detail, it includes a whole range —

**Mr COPELAND:** So there has been no increase in rents that are charged to teachers?

**Ms BLIGH:** The question of rents is something that is constantly reviewed in consultation. You may be aware, because I am sure that there would be some in your area, that where there is employee housing there is a local area committee and that is made up of departmental officers and representatives of the Queensland Teachers Union. Some of the rents are constantly reviewed, but the main reason for the increased revenue is not only increased numbers of teachers into existing stock but a \$6 million allocation in the capital works program—a \$7 million allocation last year—that increases the stock. So as you have increased stock, you have increased tenants and you have increased revenue from them.

**Mr COPELAND:** But no increase in the rental?

**The CHAIR:** The time allocated for questions by non-government members has expired. I would like to have it noted that the *Courier-Mail* has requested, at the 10-minute break from 4.30 to 4.40, to come in and take a photo, to which the majority of the committee has agreed.

**Ms NOLAN:** Minister, one of the government's key priorities is of course creating safer and more supportive communities. Earlier this year, in a well-reported incident, several adults entered the grounds of a high school during lunch and were verbally and physically abusive to teachers and students. Several staff and a student were assaulted. This type of behaviour is clearly unacceptable in our schools. What steps is the government taking to make schools safer places for students, teachers and principals?

**Ms BLIGH:** I thank the member for the question. As the member would be aware, there have been incidents in schools in her local area as well. Schools, I think everybody would agree, are places which should be safe for both the children who are studying in them and the staff who are working in them. I am pleased to advise the committee that school safety is set for an overhaul. After a number of incidents over the last 12 months I have become increasingly concerned. I am pleased to advise that cabinet has approved a review of the legislative framework that governs our schools in this regard.

The government is considering stricter controls and harsher penalties to deal with disruptive or violent intruders on school grounds. Schools are safe and supportive places which do have strict behaviour policies. However, I am sure everyone would agree that there is no room for complacency when it comes to combating threatening behaviour from outsiders on school premises.

The legislative review will include reviewing the trespass provisions of the Education (General Provisions) Act 1989 to ensure that people who are an unacceptable risk to school communities can be excluded from those schools. This will include the development of a power for an authorised person, such as a principal or another senior officer of Education Queensland, to prohibit persons from schools and of a new offence where those directions are breached. Work will be done to develop a power for a relevant court to prohibit persons in some cases from all schools, not a single school.

The first step in this process obviously will be consultation with relevant stakeholders, including the Attorney-General and Queensland police, but predominantly those stakeholders in the state and non-state schooling sectors—there will be discussions with the non-state sector about the application of these proposals in their schools—and other interested parties, obviously including parents, unions, principals associations and other groups.

Although I think it is fair to say that past incidents have been managed effectively, that has been after the fact. I would like to think that our principals have the powers they need, where it is clear that there may be people who are constantly disrupting the peace and wellbeing of schools, to take action and to work in conjunction with police to ensure that any actions they do take can be enforced and are taken seriously and that the courts have the ability to deal with those matters where it cannot be handled at a local level.

**Mr FENLON:** Minister, last year you announced three new programs which rewarded teaching excellence. They were the Premier's Smart State Teacher Excellence Scholarships, the Westfield Premier's Educational Scholarships and the ICTs for Learning Teacher Awards. These are referred to at page 1-10 of the MPS. I am very pleased that two teachers in my own electorate—Dianne Polston from Holland Park State High School and Phil Burley from Coorparoo Secondary College—both received awards for their innovative use of information and communication technologies in the curriculum. Can you advise the committee whether you intend to expand this awards program to give even more teachers the recognition they deserve?

**Ms BLIGH:** I thank the honourable member for the question. I am pleased that teachers in his area, along with others, have begun to be recognised in those circumstances where they go above and beyond standard performance.

Queensland, I think, is lucky enough to have some of the best teachers in the country. We want to make sure that we not only reward state schoolteachers but also position Queensland as a state to teach in and keep those teachers in our system. This year we will be injecting \$200,000 into four new programs that are designed to strengthen the skills of our teachers through ongoing professional development.

The new programs, which will supplement those that the member referred to in his question, include Continued Learning Scholarships, where 10 scholarships to the value of \$5,000 will be available; Professional Learning Grants for Teachers, which will see 72 grants of \$1,000 available;

Professional Learning Grants for Teacher Aides, to ensure that our teacher aides are also able to upgrade their skills, which will see 36 teacher aides access \$1,000 grants; and a new program which will recognise both teacher excellence and career milestones.

I am sure that most members here would have been involved in at least some process at their local school where a teacher who might have been working for Education Queensland for, say, 20 or 25 years has been presented with a certificate. I have to say that while that is, I think, a very commendable thing, it is on a fairly ad hoc basis. It has not been as well run as it could be, and I would like to see our teachers having that service—because it is an extraordinary service to their community—recognised in a much more formalised way. So the Teacher Excellence Career Milestones Program will see teachers recognised in a more tangible way for five, 10 and 20 years of service to the department. As I have outlined, I think the program adds significantly to those scholarships that were put in place last year. I am very pleased to be able to build on it.

**The CHAIR:** The Beattie government has embarked on sweeping new reforms to our state's education and training system. Many Queensland schools have already embraced this learning and earning agenda and are offering students a wide range of study options and pathways in years 11 and 12. Over the past decade there has been an explosion in the number of vocational education and training courses being offered in Queensland schools. Could you inform members how Queensland compares to other states in Australia in the provision of vocational education and training in schools and the participation rate of our students?

**Ms BLIGH:** I thank the member for the question. As I will outline a little later, he has much to be proud of in his own area in this regard. Queensland is indeed a leader in vocational education and training in our schools. I am pleased to advise the committee that a recent national report has confirmed this.

A report prepared for the national council of education and training ministers shows that Queensland recorded 4,237 new school based apprenticeship and traineeship commencements last year. This constituted more than 57 per cent of the national total. So Queensland sees a take-up rate of close to 60 per cent. The other 40 per cent is spread across all of the other states of the country. I think that is something our teachers deserve congratulations for. The reasons for this are, I think, supportive industrial relations arrangements, the capacity for flexible school timetabling, proactive state government policies and, as I said, a great deal of commitment from teachers and school leadership to the program.

Queensland is not just ahead of other states; we are ahead by a very long way. In comparison, large states such as Victoria reported 1,249 school based apprenticeship and traineeship commencements, or about 17 per cent of the national total, despite their significantly higher population. New South Wales had only 663 commencements, or nine per cent.

I think the data also shows us that the barriers between vocational education and training and academic subjects are fast disappearing, with this generation of students now studying a much broader range of subjects. More than one in every two senior secondary students in Queensland is now studying some form of vocational education and training course in areas such as hospitality, engineering, horticulture, early childhood, maritime services and many others. It is not uncommon for students who study higher level academic subjects with a view to gaining an OP score and entering into a professional course at a university to also be studying a VET subject during years 11 and 12. As I said, what used to be considered very distinct streams are now converging and young students are not making the same distinctions as I think some of us might have made when we were doing our senior studies. Last year 50,690, or almost 57 per cent, of Queensland senior secondary school students were involved in some sort of VET.

There has been an extraordinary shift in the delivery of education in schools, with the majority of schools now offering VET subjects and some possibility of workplace training. In Queensland, about 82 per cent of secondary schools now offer VET subjects. Again, that compares favourably with Victoria, which has almost 86 per cent; New South Wales, 84 per cent; South Australia, 78 per cent; and Western Australia, 65 per cent. Our government's proposed reforms, we hope, will see a further expansion of those opportunities for senior students.

**Ms JARRATT:** Minister, as already mentioned in opposition questioning, page 1-6 of the MPS mentions the number of new teachers which the government plans to employ from semester 1 of 2004. Can you tell the committee what difference these teachers will make to our schools?

**Ms BLIGH:** I thank the honourable member for the question. I have had the opportunity to talk to a number of teachers in schools where an allocation from the additional 800 has occurred,

and the recurring theme is the remarkable difference that just one extra above the normal allocation can make.

As I have outlined, we have a projected employment of an additional 636 teachers from semester 1 of 2004. Three hundred and twenty-seven of those will be as the last tranche of the government's commitment to an additional 800. Next year's 327 teachers follow the employment of 191 this year as part of that 800 commitment.

Just to give the member some examples of the very positive impact those additional teachers are having, I will outline some of the schools at which they are already placed. Junction Park State School has created an additional year 2 class to focus on literacy and numeracy development in the early years. That has enabled them to decrease the student-teacher ratio in year 2 class from about 25 students per class to 20 students per class. At Browns Plains State School a teacher has been employed to teach a year 7 class comprised of students who needed extra help with literacy and numeracy, and this has seen a reduction in class size from about 27 students per class to 21.

At Sunshine Beach State High School, a part-time teacher has been employed to assist teachers in the year 11 subjects of English, communications and numeracy. That allows them to give extra help to students in the classes who were at risk of not completing their senior studies and may not have been able to access that assistance otherwise. At Acacia Ridge State School we have seen an extra teacher to create an additional teacher in years 1 to 3. That has reduced the number of students in all classes across the early years—years 1 to 3—from 25 per class, which is the target, to 20 students per class. So it is not only having an effect in the class where the extra teacher is; it allows them to have an effect across a number of classroom situations.

In Ingham State School there has been a cluster initiative to support ICT and information literacy skills for Aboriginal and Torres Strait Islander students in years 6, 7 and 8 across a number of schools. At Townview State School in Mount Isa there has been a focus on early literacy through the reduction in class sizes with the employment of an additional year 1 teacher. That has reduced the class size in year 1 from 23 students per class to 16. I think it is fair to say that, even though there were only 191 this year, these teachers have already had a dramatic impact. You can anticipate that with 327 FTEs going in from term 1 next year we will see a very substantial impact in a much larger number of schools.

**Ms NOLAN:** Minister, I note that page 1-17 of the MPS refers to the release of a new School Improvement and Accountability Framework. Can you advise the committee on what it will entail?

**Ms BLIGH:** I thank the member for the question. During last year's estimates hearing I outlined for the committee a new planning and performance monitoring process for Queensland state schools and released a detailed document in that regard in August 2002. It is part of the implementation of the government's overall strategy in education, QSE 2010.

One of the primary aims of that program was to reduce the time that principals and other members of the school community devote to planning and allow them more time to focus on teaching and learning. That is, the program collapsed into a smaller number the number of accountability and planning documents, which I am sure people often complain about in any organisation. It also put in place a much more structured planning and review process to monitor performance. Previously there were relatively few formal school reviews that had taken place.

There are three components to the School Improvement and Accountability Framework. Firstly, schools are required to prepare a school annual report and operational plan which reports on school performance for the past 12 months and establishes the school direction for the coming 12 months. Then every school is required to undertake a triennial school review. That is, the school undergoes a fairly in-depth process of self-assessment and external review every three years to ensure that it is meeting its performance targets. Self-assessment is important. External review, through the executive director or the district office, is important. Within those three years there will be the need for reviews by exception, and the program provides for reviews by exception where there are changing circumstances or a continuing decline in performance at a school—or where there is a continuing outstanding performance so that we can go in and see what is working so well in a particular school and then share that exceptional performance with other schools.

In terms of the progress to date, there has been good progress this year. All schools have now completed a school annual report and operational plan, and that was completed by the end of term 1 this year. A full two-day workshop has occurred for all executive directors of schools because it is ultimately a core part of their responsibilities to be part of those school reviews and



to be working on a regular basis with principals to ensure that the performance that is identified as necessary in the school plan is being met. There is currently under way one review by exception of a school which has seen significant improvement, particularly in the area of Aboriginal education. This year we will expect to see approximately one-third of our state schools undertake their first triennial school review. We will be monitoring that with interest.

**Mr FENLON:** Minister, page 1-38 of the MPS notes that the department has implemented a number of behaviour management initiatives to address the diverse needs of young people attending Queensland schools. Would you please inform the committee of what initiatives have been introduced and, in particular, what support is provided to schools to assist with the management of behaviour issues?

**Ms BLIGH:** I thank the member for the question. I would like to stress that behaviour management is a key focus of the government's reform agenda. We understand that schools are places of learning and can only be that for the majority of students if there are acceptable levels of behaviour from all students, and from time to time that needs to be managed carefully. In 2002-03 the government spent \$24.6 million on dedicated programs for behaviour management. I would like to stress that behaviour management is the core function of every teacher and the best behaviour management tools we have in our schools are the relationships that our teachers develop with their students in the classroom. The programs I am referring to are those over and above the core business of our classroom teachers.

We have implemented the policy of management of behaviour in a supportive school environment and provided support grants of approximately \$1.8 million to schools to buy support for those students who have particular difficulties. As outlined earlier in an answer to Mr Copeland, there are 300 full-time equivalent behaviour management support staff allocated across all districts, and local committees determine the allocation of those resources.

There are also five alternative education sites funded centrally by Education Queensland across the state. Some \$670,000 supports 10 behaviour management teachers over and above the 300 which I have referred to across the state to run those five alternative sites that are based within EQ schools. There is a further \$353,000 in non-labour costs that goes to supporting those five. In addition to those five alternative sites that are run through Education Queensland, there are approximately 30 additional alternative education sites that are based in the community that work in partnership with Education Queensland. Most of the students in those schools access the Brisbane School of Distance Education for program and teacher support, and most of those programs run with the support of their local communities. Education Queensland provides different levels of funding. Local councils often provide support in kind, such as a hall for the program to operate out of, and in many communities local businesses support the programs in a number of ways—whether through job placements or in some cases financial support.

There is a range of other support staff who work in our schools. The youth support coordinators that I have referred to will increase from 13 to 113 over the next couple of years. There are school based health nurses, school based police officers, guidance officers, community education officers in indigenous communities, and chaplains. So there is a very important focus in the department's work on that issue.

**The CHAIR:** Thankyou, Minister. The time allocated for questions by government members has expired.

**Miss ELISA ROBERTS:** In reference to page 1-43 of the budget papers 2003-04, can you advise how successful or unsuccessful the inclusion of students with a disability into general classrooms has been to date?

**Ms BLIGH:** I thank the member for the question. It depends, I suppose, on what your measure of success is. There has been a growing trend towards inclusion, with more and more parents seeking to have their children who have a disability incorporated either in a mainstream classroom or in a special education unit located within a mainstream school. That is one indicator that would tell you that parents are seeking that and obviously are confident that that is the right choice. Not all parents choose that. We still continue to have special schools in our system and many parents choose that for their children. Given the nature and breadth of disabilities that some children experience, the differences in their families and the expectations that they have, you would expect to see very different choices made by different families in different circumstances.

I am not going to pretend it is not without problems. You can go to different schools and find very different experiences depending on the nature of the children that they are incorporating.

What might work in one classroom in one year is very difficult in the next classroom in the next year. It is something that we continue to focus on. There has been very significant resources applied to schools to assist in both teacher aide hours and additional teaching resources, but I would be the first to acknowledge that it is fairly early days in the great sweep of time, and I think our teachers would also say that for many of them this is a learning experience. While they accept the rights of children with disabilities, it takes some time to give those children the education that they would hope for and that our teachers would like to provide for them.

**Miss ELISA ROBERTS:** With regard to the increased need for remedial reading and literacy programs, can you advise when the decline in literacy levels was first recognised and what were the major contributing factors to this decline?

**Ms BLIGH:** I am not sure what you are referring to in terms of a decline. The ability of Queensland to benchmark itself against the performance of other states has occurred only in very recent years. The national testing program in literacy and numeracy I think has been in place only for about four years. I will come back to you on that, but maybe we need four or five years of being able to compare ourselves with other jurisdictions to see whether we are doing roughly as well as New South Wales or Western Australia. It is clear that in a number of areas we could be doing better. It is also clear that, in comparing our children with other states, our children have had one year less of schooling and are up to 12 months younger in some cases when they do the national tests. That is theoretically taken into account in the equating process, but it is very difficult to completely remove the effect. That is one of the reasons why the government has pursued the preparatory year as one of our priorities.

**Mr WELLINGTON:** In your MPS at page 1-8 you referred to an estimated \$8.2 million for special education facilities at 45 schools as part of a five-year program to upgrade special education facilities totalling \$50 million. The two current specialist schools on the Sunshine Coast—Nambour and Currumbundi—are basically at maximum capacity. What is your five-year plan for this region to respond to the great pressures which our special schools are under at the moment?

**Ms BLIGH:** I thank the honourable member for the question. I should probably clarify first what the five-year plan is and then it might be easier to see how it might apply to your particular region. Up until this process was developed this year for the first time, either mainstream schools or special schools that had additional needs to cope with the additional requirements of a child with a disability—it might be a ramp, it might be a specially equipped toilet amenity, for example—had to compete in the general capital works program. As I am sure you are aware, as you come from the Sunshine Coast, the overwhelming call on that program is for the need for new classrooms and new schools to meet the needs of growth. If it came down to the inevitable question of what is the highest priority in your district—for example, a new teaching block because you have 60 extra students or a disability access ramp—the new classroom kept winning out.

What the five-year program does is takes those things out of that competing pool and gives them a dedicated process. So now those needs will be competing only with other needs of students with disabilities. So I guess it is much more even, otherwise I was concerned that they would never come to the fore and never get resolved.

In terms of the five-year program, the first year of the five-year program has been identified and all of those projects for the first year are incorporated in this year's capital works program and have been announced as individual projects. There are many other projects that we anticipate will be done over the following four years, but that will go through a process every year of determining the priorities. There has been a process of auditing going on in both mainstream and special schools that will help us as we go through year 2, year 3 and year 4 to make sure we have prioritised the highest need projects in that five-year plan. At this stage, my understanding is that the issues relating to the needs of special schools in your area have not been incorporated in this year's budget. That is still part of the planning for year 2. As you would be aware from the discussions we have had, there are a number of views about what should be done to accommodate that growth, and we are still in the process of working that through with parents and the departmental officers responsible on the coast. I can assure you that you will be included as we finalise that process.

**Mr WELLINGTON:** Minister, when do you expect to be in a position to make a decision?

**Ms BLIGH:** In relation specifically to?

**Mr WELLINGTON:** The new facilities to respond.

**Ms BLIGH:** In relation to Nambour Special School?

**Mr WELLINGTON:** And Currumundi. I understand both schools are either at maximum capacity or not very far away from it. We have a net increase of over 1,000 people moving into the Sunshine Coast region a month. Some 400 people leave per month and 1,000 new people arrive per month, and that covers the federal electorates of both Alex Somlyay and Peter Slipper. We are seeing real pressure on all our education facilities at the moment.

**Ms BLIGH:** My recollection from discussions that we have had is that the Nambour Special School has basically reached capacity, and it is not a question of simply expanding the Nambour Special School. We really need to look at the destination points from those other students that are in the catchment area and look at a new form of provision for them. My understanding and recollection is that the current recommendation from the department that is the subject of further consultation is that a special education unit be provided at one of the other high schools. My understanding is that we are near to a decision. Rather than lead you up the garden path, I will get you something firm on that. Peter, I can enlighten you slightly, but you should be aware of this, I hope, from the budget: Nambour Special School is to receive a two-space relocatable special education building.

**Mr WELLINGTON:** Yes, I am aware of that.

**Ms BLIGH:** That does not solve the long-term problem, but I wanted to make sure you were aware of that.

**Mr WELLINGTON:** I was wondering if there was anything further following on from the discussions we have had over recent months about long-term planning to respond to the pressures that the Sunshine Coast region is experiencing, but I am happy to follow that through later.

**Ms BLIGH:** We will keep working with you on it.

**Mr WELLINGTON:** Minister, this question may fall outside your portfolio but I will ask it anyway, and it deals with students who have special needs. What programs or what discussions do your department staff have with the Minister for Disability Services to ensure that these students who have been occupied while at our special schools will have something to do when they leave? How does education prepare them for that transition?

**Ms BLIGH:** I thank the member for the question. I think one of the success indicators of any schooling experience for children whether they have a disability or not is whether we have equipped them for life after school. I think those of our teachers who are working either in special schools or mainstream schools with students with disabilities take that responsibility very seriously. There is a combination of programs. I will not go into a lot of detail in terms of the disability services area, but the Minister for Disability Services administers a program called the Moving Ahead program. In their final year of schooling, schools in which these students are enrolled will generally assist them in their applications, advise them and their families about the existence of the program and work with departmental officers from Disability Services Queensland to apply for support through that program. I think that program is now called Post-School Options, but it is a program administered through Disability Services Queensland.

Generally speaking, they are for those students who have the highest level of need and those programs are a combination of recreational activities where possible, work related activities and community access activities. That is not available to every child leaving our school system and for others a number of things are in place. I am not sure how much of it is happening in your area, but I have visited a number of schools where there are programs at the school level. Either through the VET programs that I talked about earlier or through subjects such as home economics and others, they prepare students with disabilities for possible work placements.

Many of our schools work with local employers and industry to do what they can to put in place arrangements for some transition from school, even if it is not to full-time work but to some sort of part-time work program. There is also a lot of work done about transition, particularly in our special schools. I will be honest with you, Peter, and say some of it is more successful than others. You would imagine that with every child, depending on their disability and depending on what is available in your community, these children are often less able to leave their community to access employment opportunities than other children because they are very dependent on their homes. I am able to confirm that a new facility for the Nambour area in relation to a special school has been nominated as a priority for the 2004-05 capital works program. The exact location, et cetera, is now a matter of consultation, but it has already been identified as one of the priorities for that program. It is going to happen. The question of where and how, et cetera, is a matter for consultation.

**Mr COPELAND:** Minister, I would like to return to the discussions we were having before we finished the last block. I would just like confirmation, regarding employee housing and the rentals that are charged, if there has been an increase in those rentals and, if so, by how much?

**Ms BLIGH:** I am sorry; could you repeat the question?

**Mr COPELAND:** Regarding the employee housing, I would like confirmation if there has been any increase in the rentals and, if there has, by how much?

**Ms BLIGH:** I will take that on notice and come back to you.

**Mr COPELAND:** Thankyou. The same note also referred to an increase in other fees and charges. Could you please provide details of those increases as well?

**Ms BLIGH:** Just remind me which page.

**Mr COPELAND:** It was explanatory note 2 on page 1-36 of the MPS. It is also referred to a number of times in primary and secondary schooling. It is at page 1-78 as well.

**Ms BLIGH:** Again, I will take that on notice. It is miscellaneous by nature so there will be all kinds of little things in there. I will come back to you on that.

**Mr COPELAND:** If you could say which fees they are and by how much they have increased.

**Ms BLIGH:** What the note says is that there has been an increased revenue from them which does not necessarily mean there has been an increase in the fee, just an increase in the number of people paying it.

**Mr COPELAND:** If you can clarify that that is actually the case.

**Ms BLIGH:** I am happy to do that.

**Mr COPELAND:** Thankyou. Returning to construction of capital projects, I asked you about projects for the coming school year. Were there any projects that were due to be completed for the 2003 school year that were not completed on time and, if they were delayed, how far were they delayed and which ones were they?

**Ms BLIGH:** My recollection is—and I can have this subsequently confirmed—that at Upper Coomera there was the new P-12 college that opened and the oval was not able to be opened for activity because, as you may recall, the Gold Coast was a drought declared area. They were experiencing very severe drought at the time so a decision was taken not to lay the turf because it could not be watered because of the nature of the water restrictions. That subsequently has been remedied with a relaxation of the water restrictions. That was the only significant project that was not completed as part of the Upper Coomera college.

The only other issue that I am aware of is that at Varsity College there was enrolment over the projections and there was a delay in accessing a relocatable classroom. Children were temporarily accommodated in an office building across the road from the school because of the unpredicted growth. Again I think that was something that was remedied within the first two or three weeks of school. I will have that confirmed. As I said, I get a briefing, and obviously if something is not going to be ready on time we need to know about it. That was my recollection. Partly because we had had a drought, this was one of those years where rain did not interfere with the building program. It did not stop children starting at the schools. At Upper Coomera they just could not play on the oval until it was turfed. Similarly, at Varsity they were accommodated in alternative accommodation until such time as that was able to be remedied.

**Mr COPELAND:** Perhaps, Minister, with the question on notice that you took earlier regarding the budget changes for those figures we could have the timings put on there as well. Maybe that would be of assistance. The budget changes in those capital outlays was a question on notice from the last block of questions. Thank you.

Turning to the departmental borrowings, from the MPS it appears that in 1998-99 there was a budget of \$894,000 for borrowings and current liabilities and \$1,178,000 in non-current liabilities. To the current year—this is on page 1-73 of the MPS—it comprises \$26,207,000 in current liabilities and \$122,538,000 in non-current liabilities. That is an increase of just over \$25 million in current borrowings and \$121 million in non-current liabilities. In a reasonably short time could you please provide an explanation for the blow-out of those borrowings?

**Ms BLIGH:** What was the first year you identified?

**Mr COPELAND:** It was 1998-99, which is the first year of the accrual system through till the current budget.

**Ms BLIGH:** I am just asking because in the current program there has been an increase in borrowings essentially for capital acquisition. There was a \$3 million loan from Treasury to partly fund the establishment of Earnshaw State College, which is a new P-12 being created out of Nudgee and Banyo schools which will become Earnshaw State College. That was an extension of the Secondary Schools Renewal program as I recall. There is a further \$22.5 million towards funding the 2002-03 capital works program. That was identified in last year's budget. There was in the 2002-03 year—and it has again been on the public record—additional borrowing to fund the career change program which is, as you know, a self-funding program. Those borrowings were undertaken to fund the program in the first instance but, as I outlined earlier, in order to be eligible for the program a teacher had to have been in the department for 10 years or more. That meant they were at the top of the salary scale and were replaced by graduates. The program therefore has a net saving, but those savings will be generated over a number of financial years to repay the loan provided to pay for the package up-front.

In 2003-04 there are new borrowings of \$20 million again to be directed to the capital works program. Basically it is funding high priority school projects that need urgent attention either due to the impact of growth or very poor condition. I alluded earlier to the pressure on the capital works program because of the need to meet the needs of growth. I think it is important that while growth is attended to the maintenance and renewal needs of older schools particularly are not neglected. There has been what I think is a relatively modest borrowing to supplement a fairly large capital program.

**Mr COPELAND:** Minister, with the career change program, over what term will that amount of money be paid off?

**Ms BLIGH:** Just give me a moment. There were actually a number of options. I am just trying to recall which one we chose. The borrowing was undertaken in March 2003 to finance stages 1 and 2. You will recall there were two stages to the program. Some \$9.1 million was paid in July 2002 and \$18.9 million for stage 2 formed part of the department's mid-year review request and was funded on 25 October. Basically it is self-funding. Salary savings allow repayment of the grant program over a five-year term. The payments were made to employees in January and February this year for stage 2. We have a maximum of five years to repay that. We anticipate hopefully being in a position to do it earlier.

**The CHAIR:** Minister, the time allocated for questions by non-government members has expired. I call on the member for Whitsunday.

**Ms JARRATT:** Minister, the Queensland Studies Authority appears to have had a very successful first 12 months. I note the QSA overview provided in the MPS at page 2-1. You will recall that at last year's estimates hearing there were a series of non-government questions querying the staffing and make-up of the authority. There seemed to be an assertion that the QSA was not up to achieve its objectives. After 12 months of operation, are you able to tell the committee if these concerns have been realised?

**Ms BLIGH:** I thank the member for the question. The short answer to the question is a resounding no. In fact, the concerns had no basis. I expressed my confidence last year in the professionalism of the staff of the authority and their ability to meet all the requirements of the legislation. I am pleased to report to the committee that, despite the negativity by the opposition at the time and attempts, in my view, to undermine the new authority, the first 12 months of its operation has been a testament to excellence and a testament to excellent achievement. The process has been delivered on budget and on time. The QSA continues to discharge its core business as well as taking a very key role in the education reform process. I think it is important for people to understand the enormity of the task that the QSA is responsible for in terms of managing its core business.

In the past 12 months the authority continued the cycle of review and revision of all group 1 syllabuses, with revision to be completed by 2004. It finalised the technology and art syllabuses and completed the outcomes based English and maths syllabuses for years 1 and 10. It developed the procedures to accredit syllabuses submitted by external proponents. It developed the first draft of the early years curriculum guidelines and the learning and development framework for a statewide trial of preparatory education. It developed and administered the 2002 tests in years 3, 5 and 7. Those tests go to 160,280 students. As you would appreciate, there is very little room for error. It is a national testing program and it is a massive exercise, as is the core skills test which is administered to year 12 students who are taking the test. They developed, administered and marked the tests for over 31,000 students and then issued student education

profiles to 39,480 senior students and distributed 28,169 tertiary entrance statements. That was no mean feat.

As I said, this year they will also be playing a very active role in the government's reform agenda. The authority continues to deliver what I regard to be a very high quality service to Queensland students. It has been one that has been acknowledged throughout the world in its previous embodiments. Quite rightly, that reputation has continued in the past 12 months and I am sure will continue to grow.

**Mr FENLON:** Minister, as you have just outlined, the Queensland Studies Authority has made significant strides in its first 12 months of operation. During most of the time there has been an acting director in place. What action has been taken to secure a permanent appointment to the position of QSA director?

**Ms BLIGH:** I thank the member for the question. It is a testament to the staff that they achieved all of those things at a time when they had, particularly in its early stages, a great deal of uncertainty about leadership. I am pleased to inform members that the Governor in Council today approved the appointment of Mr Kim Bannikoff to the position of QSA director. Mr Bannikoff is a senior public servant with national credentials who comes very highly recommended. He is currently the Director of the Office of School Education in the Department of Education and Training in Victoria and is expected to take up duties as QSA director by September.

Mr Bannikoff has worked in education and training sectors at both state and national levels for the past 32 years. The position for the director was advertised nationally. It attracted 19 applicants. Some were very high quality applications. However, Mr Bannikoff's vast experience made him a stand-out candidate. I am very pleased that someone of his calibre has been appointed to head the authority. As I have outlined, the authority is responsible for some very important parts of the education sector including syllabus development from preschool to year 12, assessment and tertiary entrance procedures. It is pivotal to the success of the government's ambitious education and training reform agenda.

Mr Bannikoff already has strong ties with Queensland. He was one of the architects of Education Queensland's 2010 blueprint for state education and led a task force which reviewed Queensland TAFE. He also held the role of Assistant Director-General in the Queensland Department of Education between 1999 and 2000. I look forward to his leadership of the authority. Mr Bannikoff will replace Peter Luxton, who was a senior executive of Education Queensland who has been acting in the director's position for a little under 12 months.

I would like to take this opportunity to place on record my appreciation to Mr Luxton and to congratulate him on the important role he has played during the establishment phase of the new authority. I think he can feel very proud of the role that he played in putting in place all of the foundations for the new amalgamated authority. He took over in August 2002 after the previous director, Mr Rodney Gerber, was charged with offences relating to his taxation affairs. Mr Gerber's contract was terminated in March this year after he pleaded guilty to the offences. I am pleased to advise that I believe the authority has moved on and I am confident that Mr Bannikoff will build on the great work that Mr Luxton has been doing.

**The CHAIR:** Having a four-year-old who is off to preschool next year, I would have to say that one of the most exciting educational reforms of the Beattie government is the addition of a year prior to year 1—not that Daniel will benefit, but in following years he will. Page 1-25 of the MPS states that a further 25 Preparing for School Trials will begin next year, 2004. Will you tell the committee how the trial schools are chosen and when you expect to announce the second round of trial schools? In addition, will you give the committee some feedback on the current school trials and how teachers and students are adjusting?

**Ms BLIGH:** I agree with the member that the prep year is a very exciting time for everyone involved. As you are no doubt aware, Queensland is the only state without a full-time year of education prior to year 1, and I am determined that we will do everything we can to remedy that as soon as possible. To that end, we have commenced trials this year in 39 trial sites—30 in the state system, six in the Catholic system and three in the independent schooling system. This is a significant commitment from government requiring \$4.5 million for round 1 for state schools in 2002-03. The criteria by which trial schools are selected include the existing capacity within the school to include the trial class. You will appreciate that, given that it is a trial, it made sense to identify those schools that had spare classroom capacity to accommodate the extra class, rather than begin the process at this stage of building new classrooms for what is still a trial. Therefore,

we looked at those that had a minimum need for facilities modifications. Obviously, some schools have spare classrooms but those might not be appropriate for the sorts of modifications that are necessary for children in their very early years. It was also a requirement that schools could demonstrate they had strong community support to be a trial school. While I think there is a great deal of excitement, there are also, as with any change, a lot of questions and some legitimate concerns. I thought it was important that parents in any particular school community were prepared to support what is, frankly, still a bit of an experiment.

The focus of the panel was to ensure that trial sites were representative of Queensland's diversity across 1,300 schools. You will appreciate that we see not only biogeographic diversity, including rural, remote and metropolitan schools, but also a great difference in the socioeconomic status of a community—the community the school serves, the number of languages that might be spoken in the school, whether the school is located in an indigenous community, whether the school is with or without existing preschool programs, as well as a number of other factors.

A number of schools were visited by the early education unit and the facility services program to ensure that minimum requirements for the trials did exist. The non-state school sectors manage their own applications. Catholic Education manages the application process for the Catholic schools in the sites and, likewise, the Association of Independent Schools manages the process for the independent schools. They prepare a short-list and then submit a list of priority schools for panel consideration.

In terms of feedback from teachers, it is a combination, as you would expect, of anecdotal stories about adjusting to the challenges of a new curriculum as well as a great deal of excitement and positive feedback about the progress that children are making. I visited some of the schools, and teachers told me that they are amazed at the progress that these young children are making; that children at a very early stage in the school year are obviously feeling confident and comfortable in the school environment. Parents are reporting that they have noticed an increased desire in their children to learn. I expect to announce the round II schools in the next few weeks.

**The CHAIR:** I note that page 1-29 of the MPS refers to the evaluation of the Preparing for School Trials. Could you please tell the committee who is evaluating the trials, how they are being evaluated and what outcomes you expect from the evaluations?

**Ms BLIGH:** We have not had preparatory education in Queensland since it was abolished in 1953, so it is important that as we embark on these trials and carry them out in the next few years we evaluate them. I should stress that the evaluation is to inform government how best to implement a full-time non-compulsory year prior to year 1. It is not about if we should do it but about how we can best do it to accommodate the diverse needs of a state such as Queensland. The evaluation will assess the impacts on the needs of students and how the curriculum is delivered.

The Institute for Educational Research Policy and Evaluation conducted a tendering process on behalf of Education Queensland to pull together an appropriate evaluation team. The successful tenderer was a group called the Queensland Early Childhood Consortium. It consists of researchers from the Queensland University of Technology, James Cook University, Central Queensland University, the University of Southern Queensland and the Australian Catholic University. The evaluation will identify factors affecting the delivery of a preparatory year, including the delivery of the draft curriculum, the extent to which a preparatory year will assist young children in their preparation for compulsory schooling, the human resources required and how they might best be managed, the level of facilities required for each age group, and the effect of the slightly altered age on outcomes for children. Data is being gathered not only from observations of the children but also from families, teachers and principals, that is, those people who are involved in the day-to-day lives of these young children. The final report from phase 1 of the trials is expected to begin informing government in 2004.

**Ms NOLAN:** I have a question regarding the senior schooling reforms. The government's commitment to the Education and Training Reforms for the Future initiatives clearly indicates its resolve to make Queensland the Smart State. These reforms are mentioned on a number of pages in the MPS. Could you explain what the reforms entail?

**Ms BLIGH:** Hopefully by now the member and others in her area will be growing much more familiar with this project. Late last year the government launched its white paper on reforms to education and training for young Queenslanders. The motivation for the reforms was a recognition that our education and training system had to be much more flexible, especially for those young Queenslanders who are currently aged between 15 and 17 and are out of school,

out of training and out of work. Because you have already had the Minister for Employment and Training here, I will not tell you how many there are; I am sure it is on the record.

After lengthy community consultation, the government decided that all young Queenslanders aged between 15 and 17 should be either learning or earning. Later this year we anticipate introducing legislation that will take effect in 2006 to require students to remain in school until they are 16 years old or until they complete year 10, whichever comes first. That in essence raises the compulsory age of schooling. But the legislation will go much further and impose a new obligation on young people and their families. The new laws will make it compulsory for young people to participate beyond that year 10 or '16-years-old' requirement in education or training for either a further two years or until they have gained a Senior Certificate or until they have gained a certificate level III in a vocational qualification or until they have turned 17, whichever comes first. There will be exemptions from the post year 10 requirements for those young people working full time.

Other major aspects of the reforms that will be trialled in the designated trial areas will be that schools will begin to develop individual senior education and training plans with all of their year 10 students in conjunction with parents or guardians. Students will be able to open a learning account with the Queensland Studies Authority so they can bank their learning credits. This will enable students to accelerate their learning or make it more gradual either if they wish to take time out of education and training or if they have responsibilities that require them to do that.

Local areas will develop district youth achievement plans to ensure that schools, TAFEs, other education providers, employers and community groups are working together to maximise the education and training opportunities of local young people, and up to 100 additional youth support workers will be employed to provide support to young people at risk of dropping out of education and training. It is a very big agenda. The trial has officially started as of this week, but the trial areas were nominated some months ago. I can confidently report to the committee that in all of those trial areas we have begun to see a great deal of activity that sees both the education and training sectors working alongside other community and industry groups to begin the process of putting all of those reforms in place in a meaningful way.

**Ms NOLAN:** I am extremely pleased that the Ipswich education district is one of those trial areas. Again referring to pages of the MPS that discuss these reforms, could you advise the committee on the financial support provided to the seven trial areas?

**Ms BLIGH:** We anticipate seeing a phased implementation of the reforms, and we are starting with a group of seven trial areas, as I said, from this week. It is expected that around 23,000 year 10 students across 200 schools and 12 TAFE institutes will participate in the trials, and the government has allocated \$40.3 million over three years to support the reforms across those three years. \$11.7 million of the \$40.3 million has been allocated as a grants program to support trials of innovative local initiatives to improve the participation, retention and attainment of 15- to 17-year-olds in learning. In each of those seven areas they can access an \$11.7 million allocation for innovative local solutions.

I would expect to see some quite different proposals coming forward from each of the areas. The seven trial areas will also directly receive a total of \$6.47 million out of that \$11 million over the next three years. The remainder of the funds will be allocated as further reforms are announced or further trial areas might be added. The total grants funding over the following three years for each trial area will see the Toowoomba and Roma trial receive \$734,854; the Townsville and Mount Isa trial area will receive \$1,000,552; Mooloolaba and Murrumba will receive \$1,163,445; Gold Coast North and Logan-Beaudesert will receive \$1,155,634; Corinda and Ipswich—the one that is dear to the member's heart—will receive \$954,909 over the three years; the Fraser-Cooloola and Isis-Burnett area will receive \$751,821,000; and Rockhampton-Emerald will receive \$712,845. The formula took into account the population of young people and the degree of risk and other factors associated with the communities that the trials were servicing. We are confident that those funds will begin to make a difference in those areas. I look forward to receiving the first round of applications in the not-too-distant future.

**Mr FENLON:** What role is there for the QSA, mentioned at page 2-1 of the MPS, to provide support for the implementation of the government's education and training reform agenda?

**Ms BLIGH:** I did allude earlier to the important role that the QSA will be playing. I have outlined some information in relation to the preparatory curriculum. The work of John Pitman and Margaret Gardner, who delivered separate reports to government last year, both indicated the need for a significant review of the Senior Certificate as well as the process by which credit is



gained and transferred across different sectors of education. In my view, that foreshadowed a very major role for the QSA.

I will give a brief overview of the tasks that the QSA will be undertaking in the short term. They include a responsibility to explore the feasibility of a year 9 literacy and numeracy test. An options paper is to be considered by an external reference group in July and August this year and then released for public feedback. They are also developing the next generation of syllabus and curriculum materials. They will be developing guidelines and pro formas to assist schools with the implementation of senior education and training plans. The phase 1 trial, as I said, commences this month. Data from each of those schools in every trial area will be collected in October 2003 to inform the next phase. The guidelines around the senior education and training plans have already been distributed to schools in those areas. The QSA will also be required to register every year 10 student, and workshops around that registration process are occurring around the state at the moment.

They have also been charged with the responsibility for a project that will determine the quality and quantity of learning required to satisfy a renewed Senior Certificate. The Pitman report recommended that we needed increased flexibility to allow students to vary the time it takes to complete their senior studies and to take account of a broader range of learning for the purposes of the Senior Certificate. The QSA was also designing a system that will allow students to bank their credits. They are also looking at how they can expand career information and how to better accredit and deliver vocational education in schools. They have been provided with an additional \$4.5 million over the next three years to support that additional work.

**The CHAIR:** The time allocated for questions by government members has expired.

**Mr WELLINGTON:** Minister, earlier this afternoon you referred to the appointment of Mr Bannikoff to the position of Director of the Queensland Studies Authority. What process did you go through in evaluating the merits of the various applicants for the position of director and then when you eventually recommended a person to fill that position of director? Also, what is the remuneration package for the director?

**Ms BLIGH:** I am sure the member will appreciate that I do not personally go about the recruitment process. It is a senior executive position and the recruitment process is in accordance with the requirements of the various public sector instruments that oversee recruitment. There was a firm contracted to assist. Obviously it was advertised nationally. There were 19 applications in addition to that normal process of putting the ad in the paper. There was also a consultant hired to effectively go and headhunt various people to ensure that there was a good pool.

That 19, as I understand, was narrowed down to a short-list of five. The five applicants were interviewed by a panel. Professor Bob Lingard was the chair of the panel. He is the chair of the Queensland Studies Authority. The panel had on it the Directors-General of Education Queensland and the Department of Employment and Training; the Public Service Commissioner, Ms Rachel Hunter; and also the Director of Queensland Catholic Education and the Director of the Association of Independent Schools of Queensland, because the QSA is responsible for schools right across the sector, not only those in the state system. That is a very strong panel and I had a high degree of confidence in their recommendation. Mr Bannikoff will be remunerated in accordance with an SES 4 position.

**Mr WELLINGTON:** Minister, you have certainly answered all the questions with a great deal of skill. I look at all the departmental staff who are here to support you and I really question, without being silly, whether we really need so many when you certainly have a handle on your department. I wonder if perhaps you could take on board that next year we do not need as many public servants. I leave it up to you, but that is just my observation from this position.

**Ms BLIGH:** This is their big day out. I can appreciate your concerns, but I also think it is important for the benefit of members of the committee that, if there are in-depth questions in a particular area, there are staff here that I can rely upon for in-depth information and, should it be necessary, of whom you can actually make direct inquiries. My adviser tells me they are not public servants; they are actually members of the public so wildly enthused about the education reform agenda that they have come in for the afternoon's entertainment.

**Mr COPELAND:** It is all those curly questions that you know that we can ask that we just have not been able to find yet. Returning to the departmental borrowings that we were discussing earlier, the increase from approximately \$2 million to \$150 million over that four or five-year period is a substantial increase and it is now costing the department around \$8 million to service that

debt. Is your expectation that those borrowings will continue to increase at that rate, or will that be the upper limit of the borrowings for the department?

**Ms BLIGH:** The borrowings of the department will be a matter for consideration in every budget year. In the context of a total budget of \$4.8 billion, I think you would have to say it is a very modest borrowing program. I think the purposes for which the borrowings have been generated are ones that are very important to the core business of the agency. I am certainly comfortable with the level of borrowings at the moment but, as you would expect, those matters are a matter for consideration in every budget round. Should there be further borrowings, that will be recorded in the budget papers.

**Mr COPELAND:** Moving on to asset revaluation, in the MPS on page 1-73—and there are a number of references to asset revaluations throughout the budget papers—I refer to the decrease in property, plant and equipment from a budget of \$6,078,851,000 down to \$5,954,110,000 with a note stating that the assets were revalued in 2001-02. If those assets were revalued in 2001-02, why were the new valuations not included in the 2002-03 budget?

**Ms BLIGH:** Sorry, are you referring to a particular page of the MPS?

**Mr COPELAND:** MPS page 1-73 contains the total figure.

**Ms BLIGH:** In relation to your assertion about the years?

**Mr COPELAND:** Note 5 states that the decrease in property, plant and equipment is due to the asset revaluation in 2001-02, yet the budgeted figure for 2002-03 did not reflect the decrease in the valuation. I am asking: if the revaluation was done in 2001-02, why was it not included in the 2002-03 budget?

**Ms BLIGH:** You would appreciate that the financial management standard of 97 requires a comprehensive revaluation of the department's non-current physical assets every five years, and the revaluation process that you referred to is part of that standard five-year cycle. A comprehensive revaluation of the majority of the assets occurred in 2000-01. The task of valuing land, buildings, infrastructure, et cetera—approximately 35,000 assets—is carried out by State Valuation Services. The audited actuals for 2002-03 revaluations will be based on an indexation of all relevant classes of assets. The net revaluation increase of \$10.2 million of estimated actuals from the 2002-03 published budget results from an expected change in relevant price indices relating to land and buildings. I am not sure that entirely answers the question that you were asking.

**Mr COPELAND:** No, according to the note, the revaluation occurred in 2001-02, but the budget figure for 2002-03 did not actually reflect that revaluation.

**Ms BLIGH:** I am not sure that it was completed in time for the budget papers. There are 35,000 assets. So the process was occurring in 2001-02. My understanding—and I think the advice confirms it—

**Mr Smith:** It does occur after these budget papers.

**Ms BLIGH:** But it occurs after the budget papers. You will appreciate that these budget papers are prepared in about May. That is why they are estimates. That is subsequently confirmed and revised upward or downward in the department's annual report and the financial statements attached to that. I am advised that, for example, in 2001-02 the assets were revalued in August.

**Mr COPELAND:** Given that advice, when was the revaluation for the 2003-04 value of the assets conducted? There is an increase from—

**Ms BLIGH:** That is an estimate. I might refer to Rita Logan to walk you through the process. My understanding is that the asset revaluation is only done every five years and there is an estimate of the revaluation of the assets done in the years in the interim. Rita, do you have anything to add to that?

**Ms Logan:** She does not need me.

**Ms BLIGH:** Peter Wellington can go home.

**Ms Logan:** We actually conduct a physical revaluation every five years—that is required by the accounting standards—and in the in-between years we do a revaluation on the basis of CPI. It is just a kind of book valuation that we do in the in-between years.

**Mr COPELAND:** There is expected to be an increase in the value for 2003?

**Ms Logan:** It depends on what the movement is again.

**Ms BLIGH:** The estimate in these papers is predicting an increase.

**Mr COPELAND:** Obviously it is a huge number of assets to be valuing. It strikes me as strange that the valuation has actually gone down in a time when the general marketplace has seen very high increases in property values, for example, and the last budget papers—and you have referred to it—show increases in the capital works plus the maintenance programs—certainly since, for example, 1996.

**Ms BLIGH:** The asset does not refer to the land. The land may well be appreciating, but you will appreciate that we have thousands of children marching their way through the buildings on a daily basis. Therefore the value of the property is decreasing because of the depreciation on the property. It also includes assets such as computers and others, or is that below the threshold?

**Ms Logan:** Computers are below the threshold.

**Ms BLIGH:** But it would include large photocopiers or large pieces of equipment that also depreciate very quickly. We also own land in some very, very high earning areas and land in places that are very, very low. So it evens out across the state. While there is appreciation in some areas, that is offset by the lowering of values in others.

**Mr COPELAND:** Following on from that, it strikes an average reader as strange because there is a further reference—and there are a number of references throughout the document—under output revenue in the Statement of Financial Performance that states an increase in funding for employee award conditions is offset by decreased equity return due to asset revaluation. To an outsider it certainly looks like there has been a paper shuffle evaluation so the equity return has covered what has been an above expected increase in, for example, employee award conditions.

**Ms BLIGH:** Such cynicism! I am shocked.

**Mr COPELAND:** I am sorry. I have only been here two years, too.

**Ms BLIGH:** You would appreciate that in this department the overwhelmingly largest section of the budget is employee expenses. A new initiative in education is wages—it is people to do a job. So the largest cost area in the budget is employees and it is very sensitive to even small movements. We expect some relatively large movements this year as a result of the predicted wage increases, although we do not know the nature or extent of them as yet. It is not surprising that you would see the largest growth area in the budget in employee expenses. I can assure you that the people in the facilities program apply a very rigorous approach to the responsibilities that they have. It does not surprise me that there is depreciation on our buildings. I think you only have to think about the schools in your own area to imagine what the constant wear and tear does to the depreciation, if you take the land out of the equation. It is a constant battle.

I should add that it is not just my confidence in the professionalism of the officers responsible for the preparation of these documents; they have obligations under a number of accounting standards and the Financial Administration and Audit Act. I think they take that very seriously. I certainly have every confidence that the documents we are examining today are based on very rigorous accounting procedures. I should also add that the equity return is actually revenue neutral. That has been a change to the Treasury processes. I do not think that is something that should trouble you too much.

**Mr COPELAND:** I suspect my cynicism was towards Treasury more so than the departmental officers. I have just a note of clarification. I refer to the ambulance tax and the cost implications of that. My understanding was that government buildings were exempt from that, but it has been raised with me as a question whether, in fact, state schools will have to pay the ambulance tax on any meters they may have, given it raises some questions of competitive neutrality between private Catholic schools and the state sector. Would you be able to confirm whether the schools will be liable for the ambulance tax?

**Ms BLIGH:** I can confirm that from 1 July this year every state school will pay \$88 per year as part of their electricity account as the levy for the community ambulance cover. There is no exemption from the ambulance levy for schools in either the state or the non-state sector. All schools are treated the same. I should add, however, that under prior arrangements many schools paid an ambulance subscription as part of a group scheme—both schools in the non-state and the state sector. The estimated annual cost of group schemes was about \$231,000. So many schools had local arrangements in place with the Queensland Ambulance Service. However, it is not entirely possible to know every single one of those arrangements.

The cost of the community ambulance cover for all state schools is estimated at approximately \$114,400. So, in fact, in the state school sector we will see a significant saving on the amount of money that they will be able to redirect into other school-related activities. Essentially, schools are provided with an operational budget. Many schools previously made a decision to use some of their operational budget to pay for a group ambulance cover because not every child at the school is covered by a family ambulance subscription. I am not sure about the schools in your area, but I certainly know that at the schools my children go to you sign up saying that you allow your child to be part of the ambulance group scheme. The cost of the group scheme is actually more expensive than the community ambulance cover. So yes, there will be a cost to state schools, but it will actually be less. The same obligation will be on schools regardless of what sector they are in. Given the number of children in them, I do not think anyone would question the fact that they need to be covered for ambulance.

**Mr COPELAND:** Will there be multiple bills at the one location, do you know, or will it be only the one time that they will have to pay per site?

**Ms BLIGH:** It is across 1,300 schools. So it is only one account per school.

**Ms Logan:** It is the assumption that they have only one electricity account. If they have more than one electricity account in the school, then it is on each electricity account as it is with every other—

**Mr COPELAND:** So it could be, in fact, more if a school has multiple electricity accounts?

**Ms Logan:** We do not know how many of our schools have more than one electricity account. I would assume that most of them would have only one, but we do not actually know whether some have more than one.

**Ms BLIGH:** There may be some schools that have property off campus. But you have to put that in the context of overall there is a saving of more than \$100,000 moving from the group ambulance cover that did not cover every school to every school being covered for \$100,000 less.

**Mr COPELAND:** Obviously, that saving will be calculated on the assumption that there is only one account per school. If there is more than one account, then the saving will actually be less.

**Ms BLIGH:** It might be less by \$88 for the one school that you refer to.

**Mr COPELAND:** As you say, there are 1,300 of them. So there may be more.

**Ms BLIGH:** That is right.

**Mr COPELAND:** I refer to the net assets and liabilities of the department, which appear on page 1-73 of the MPS. The net assets figure is down from a budgeted \$6,039,413,000 to an estimated actual of \$5,782,658, which is approximately \$256,755,000 and \$276 million—almost \$277 million—down on the estimated actual for the 2000-01 budget. Why has the department's net position decreased so significantly in that time?

**Ms BLIGH:** The major reductions are in cash assets. We have already referred to this in some detail. The major change to the asset basis of the department is the revaluation, and you see that reflected in the data around net assets and the value of them.

**Mr COPELAND:** We have mentioned previously the cover for the changes that will happen to employee expenses and the assumptions that have been made. What percentage increase have you assumed and covered within this budget for the enterprise bargaining that we have not—

**Ms BLIGH:** As it states in the MPS, provision has been made for the government's offer and I think that it is public knowledge that the government's offer is either 3.5 per cent over 12 months or 3.8 per cent over 13 months or \$23, which is the minimum increase—whichever is the greater. So in some categories of employment the \$23 might actually mean four per cent or 4.2 per cent. But the guarantee in the government's offer is that wage increases will not be below that.

**Mr COPELAND:** So the 3.5 per cent has been included in there?

**Ms BLIGH:** That is right.

**Mr COPELAND:** If the negotiations actually come back with more than that—for example, the QPSU was 3.8 per cent—what cost ramifications will that have on the department?

**Ms BLIGH:** I should clarify that the QPSU is within the government's wage offer, because 3.8 per cent over 13 months is 3.5 per cent. So that is catered for. The only outstanding unknown in terms of wage increases in the department is now in the area of the teachers' wages claim and that is currently a matter that is the subject of arbitration. I should clarify that, with regard to the teacher aides, the union that covers teacher aides has currently put out a proposal for a ballot for

their members. That is on the basis of the 3.5 per cent. The cleaners have accepted 3.5 per cent. I think that ballot has been finalised. As you say, the QPSU is currently in the process, I think also, of balloting their members on that. So at this stage the only unknown is teachers, but given that they are the overwhelming majority of employees in the department and the group that is the highest paid then that is very sensitive to any movement. You will appreciate that you had to predict on the basis of the government's offer and the processes that apply in every budget cycle for unpredicted increases in departmental liabilities will be the subject of either the mid-year budget review or if it comes after the mid-year budget review the Cabinet Budget Review Committee will consider the need for any increases.

**The CHAIR:** The time allocated for questions by non-government members has expired. The hearing is now suspended for late afternoon tea and will resume at 4.45 p.m.

Sitting suspended from 4.34 p.m. to 4.48 p.m.

**Mr FENLON:** Minister, I see from page 1-25 of the MPS that the government will improve information and communication technology access and skills in our state schools. Would you please tell the committee what improvements have occurred and will occur? In addition, I would expect that these improvements will require teaching staff with an understanding of information and communication technology. How will the government ensure that teachers receive the necessary professional development to enable them to confidently teach ICTs?

**Ms BLIGH:** I thank the honourable member for the question. The need for us to significantly improve our performance and delivery of information and communication technology in the classroom is at the heart of Education and Training Reforms for the Future and is a major initiative within those reforms. Last year, as a result of the additional funds made available in last year's budget and into the forward estimates, I launched the ICTs for Learning strategy. The budget last year committed \$23 million in addition to \$36.4 million that was already there. This year that \$23 million extra will grow to \$35.6 million in new funding for this year.

The strategy will deliver additional ICT funding for all schools, so cash grants to schools will increase. It will see additional computer hardware for student access. There will be innovative ICTs procurement options for schools. Previously these funds were managed simply by putting them all out to schools and schools did their best to get whatever deals they could in their local area. We have done a number of procurement deals that will see us maximise the buying power in a very significant way. In fact, we now have a consortium of eight preferred providers that will see, effectively, a 30 per cent increase in the buying power. So the funds that once bought 10 laptops will now buy 15 laptops, just by way of example.

We have also developed minimum standards of ICTs infrastructure in schools. Part of the infrastructure program is the cabling of classrooms. Older schools in particular are experiencing difficulties. As we have been able to deliver more computers they have experienced difficulties with their electricity supply and are in some cases finding it difficult to keep the lights on, the sausage rolls hot and the computers running all at once. But we have, as part of the program this year, put in place an electrical upgrade for those schools. Some of you will no doubt have particularly those older schools in your areas. In 2002-03 the program saw 730 classrooms cabled. In 2003-04 we will see another 870 classrooms join them.

In the 2000 budget, prior to my time in this portfolio, the then Treasurer set a target of five students to every one computer in years 3 to 12 by the end of the 2004 school year. As we draw near to the end of that period in the following financial year, I am pleased to advise the committee that we have already met, on a statewide basis, the high school target. That has been met significantly earlier than originally anticipated and currently stands at a ratio of 4.2 students to one computer. The target set for years 3 to 12 is yet to be met in the primary schools but we are well on track. We are currently running at about one computer to 5.2 students. The 2003 census of computers in schools is due in August. I am very hopeful that we will see the primary schools surpass the target in that census.

**Ms JARRATT:** Minister, as a former teacher I certainly commend this government for the emphasis it is placing on ICTs in school. Page 1-21 of the MPS, however, mentions the Girls and ICTs Framework for Action, which you recently launched at parliament. Could you please provide some further details on what Education Queensland is doing in this area?

**Ms BLIGH:** I thank the member for the question. As she correctly points out, ICTs are a very important teaching tool. It is one thing delivering them into classrooms; it is another thing making sure that all students are accessing them and all teachers have the skills to use them as a learning tool.

We know that, in general, subject choices continue to be taken up at different rates by boys and girls. Twice as many girls as boys take a non-English language subject, girls outnumber boys five to one in home science subjects and one-third of girls and only one-quarter of boys take an arts subject. I have to say that, while I think we will always see those sorts of preferences, I am greatly concerned to see so many girls limiting their future opportunities by shying away from studying technology subjects at schools. In 2002 about one in five year 12 students enrolled in the subject Information Processing and Technology were girls, which means that many groups of girls and young women are at risk of becoming part of the information poor and have been excluded from new and emerging jobs of the future.

The framework that the member referred to outlines general strategies that schools can use to engage girls in ICTs and provides examples of successful programs. Schools will use it as a launch pad, hopefully, to develop local strategies and programs that work for their school communities and their school environments. Dr Lesley Clark, who is the Parliamentary Secretary to the Premier, put a great deal of work into this framework. I think it reflects her commitment to the needs of girls in that area.

The ICTs for Learning Strategy also provides, as part of its innovation program, an opportunity, for those schools who want to take this issue further, to apply for innovation grants for that purpose. A number of state schools have already established successful programs, such as creating computer clubs for girls. Last year, about \$30,000 worth of innovative grants were awarded to a number of schools which sought to increase the representation of girls in ICTs. That part of the program will continue in 2003-04. I outlined a number of examples in the parliament this year. I look forward to seeing a lot more examples that I can advise the committee of in subsequent years.

**Ms NOLAN:** Minister, page 1-56 of the MPS states that your department will undertake a detailed analysis of the outcomes of the Commonwealth review of higher education. This work will include determining the extent to which the significant growth pressures facing the higher education sector in this state have been addressed by the Commonwealth, particularly through the allocation of additional student places. This continues to be, as you well know, a pressing issue for Queensland, so can you advise the committee of the results of the analysis?

**Ms BLIGH:** I thank the honourable member for the question. As she, along with other committee members, would be aware, this is an issue I continue to raise in the public arena and the parliament, because I think it is absolutely central to Queensland's aspiration to become the Smart State of Australia and to the rights of our young people to access the benefits of higher education at the same levels as those in other states.

As you know, Queensland has the strongest rate of population growth in the country. To 2010, half of the national growth of people aged 15 to 24 is estimated to occur in Queensland. Our universities need to expand their places, the publicly funded places, just to keep up with the population growth. In addition, Queensland has historically had a low number of university places, going back to the Bjelke-Petersen era. Only in recent years has Queensland been able to achieve national average participation rates for the relevant age cohort—and I mean very recently. It has really only been in the last two years that the participation rates of Queenslanders has matched the national average. I think we need to do everything we can to make sure it does not slip backwards.

The Australian Vice-Chancellors Committee estimates that approximately 7,000 eligible Queensland students missed out on a university place this year. Our level of unmet demand in Queensland is between 12.3 per cent and 12.8 per cent. It is the highest nationally of all states and territories. Queensland needs at least 800 additional commencing places each year, starting next year, if we are simply to maintain our current participation rates. I frankly think we should aspire to go beyond that.

I regret to inform the committee that the federal government's higher education package offers some new places, but they are too few and they are far too late. The package contains only 1,400 new growth places nationally, and they do not begin until 2007. So those students who are sitting in year 9, 10, 11 and 12 classes now can see no real hope on the horizon of any new growth beyond a small additional allocation for medicine, nursing and teacher education.

The package also converts about 25,000 overenrolled places to fully-funded places from 2005. While that is welcome because of the pressure it has put our universities under, it needs to be understood that they are not new places. They are places already occupied by students,

already offered by our universities, and any benefit to Queensland universities may well be at the expense of universities in other states and is a national issue, in my view.

The package also relies on an expansion in full fee paying places to increase access to university. The approach obviously has serious equity flaws, as students from low income families may find it much more difficult to take on that level of debt. It is also likely to be of very little benefit to our regional universities. They may have, I believe, much more limited capacity to attract full fee paying students than those in the capital city. There is a proposed new scholarship program, but it will only benefit a very small proportion of students. All in all, I have to say that it is a very disappointing package. It does nothing for Queensland in the short to medium term. There will be continuing pressure on our universities and those young people who have a right to enter them.

**Ms NOLAN:** I very much wish you well with that campaign. I agree that it is extremely important for Queensland to be the Smart State. With respect again to that Commonwealth review of higher education, can you advise the committee of any consultancy that has assisted your department with this analysis?

**Ms BLIGH:** I thank the member for the question. You will appreciate that the Commonwealth's proposals represent a very complex package, and its effects on individual students, differing effects on particular states and differing effects on urban, regional, well-established and new universities are not always immediately obvious.

Last October the higher education ministers from all states and the ACT agreed to commission an independent study of the predicted impact of what was then the review of higher education, much of which has come to pass. The Commonwealth at the time opposed the commissioning of an independent study—and little wonder, given its results. Queensland shared the cost of the study and chaired the steering committee.

The study was undertaken by Phillips Curran, a private consulting firm, and has now been completed. I believe that it is a high-quality report. It is recognised by officials with significant expertise in the area as being a first-class analysis. For the benefit of the parliament I would like to table that report. Ministers agreed last week at the MCEETYA meeting to make the report publicly available. This is the first time it has been available in Queensland. It is a two-stage report. I seek the leave of the committee to table it.

The report addresses the impact of the Commonwealth reforms on participation in higher education, on resources, on nursing and teaching, and on access and equity. It indicates some very serious flaws in the Commonwealth package. While it acknowledges that the package will see more revenue going into universities, that increased revenue will not provide a significantly improved opportunity for Australian citizens to study at university. With existing commitments, total fully funded growth in the system will amount to only 3,460 equivalent full-time student units by 2008. The report finds that that will not keep pace with the projected population growth. Without further growth, the number of Commonwealth subsidised places per 1,000 people aged 15 and over will decline from 27.2 in 2002 to 24.8 in 2011. So in less than a decade we will see a decline in the available places in our university system across the country.

What growth there will be will mainly be on a fee paying basis. In other words, the package will force students into a fee paying market. As I have said before, John Howard and Brendan Nelson are well on the way to creating generation debt. Based on what has been announced to date, Queensland students completing year 12 are likely to have less chance of getting into university than students in other states with the same marks. So their access will be determined merely by the fact that they live in a highly populated state. The increase in nursing and teacher education places will have only a marginal impact on unmet demands for these professions. The lack of any changes to student income support schemes, despite clear evidence of their deficiencies, such as payments being insufficient to cover living and education expenses, is a very disappointing feature of the package. Increases in student fees and debt levels may exacerbate the growing debt of students, resulting in delayed entry to higher education and lower levels of home ownership. As I have said, I am happy to table the report for the public to view. Sadly, Australia now stands alone amongst all other developed countries in cutting government funding to universities.

**Mr FENLON:** Minister, page 1-56 of the MPS highlights the importance of the internationalisation of Queensland's schools and universities. Would you please explain to the committee how the government exports education? As an export, does education bring actual dollars into the state?

**Ms BLIGH:** I thank the member for the question. Education is not only a major export earner for Queensland but also an area of export earnings that is growing. Our government is doing what we can to promote Queensland universities overseas and to promote Queensland as an education destination. We now have 25,000 international students studying in Queensland universities, and that is a 55 per cent increase since 2000. So we can see the rate of growth is really quite high and those markets are growing. Some \$604 million in the year 2000 was the total value of expenditure by overseas students in Queensland. Some \$295 million was in fees—direct fees for their tuition—and another \$309 million was spent in the broader community on things like rent and other living expenses as well as some degree of travel.

Some 29 state schools also have full fee paying students recruited from overseas, with students from approximately 20 countries, such as Singapore, Malaysia, India, China, Norway and Germany. In China, Education Queensland's curriculum and teachers are used to deliver year 10 programs through partnerships with local education service providers. So it is an offshore program where students study the Queensland year 10 syllabus while in China and then come to Queensland and finish their senior years having been introduced to Queensland education through that mechanism. There are 127 students enrolled and most go on to Queensland schools for their senior studies. The three centres are in three separate provinces of China.

In 2002-03, 6,482 international study tours were hosted by Queensland schools and that generated \$8.2 million in revenue. Education Queensland provides professional education and systems development advice to overseas systems and governments. For example, we are working with a South Australian consulting firm on a World Bank funded project to provide curriculum development advice to the PNG Department of Education. It is not only a significant area of activity of the department but also one that is growing. It not only brings international students into our own students' classrooms but also significant dollar earnings, both within the education sectors directly and indirectly through, as I have said, accommodation, living expenses and travel.

**Ms NOLAN:** Minister, the Secondary Schools Renewal program was a three-year program implemented in 2000-01. As stated in the MPS at page 1-23, the program is almost complete with work either finished or being finished in the final 16 schools. It is therefore timely to reflect on this program and to examine what effect it had on the schools that took part. Can you provide the committee with an overview of the government initiative?

**Ms BLIGH:** I thank the member for the question. I think it is fair to say without being too immodest about it that Secondary Schools Renewal has been an outstanding success. It was a program that provided for state high schools built prior to 1975 to reinvigorate some very ageing secondary facilities. It was to provide an improved learning environment and to promote innovation in school organisation, educational leadership and the use of ICTs. Thirty-eight schools were completed in phases 1 to 3. Major renewal and refurbishment occurred across a significant number of classrooms and facilities. In Nambour State High School, for example, there was an outstanding new learning technology building and refurbishment. In the electorate of the member for Ipswich, Bremer State High School saw a new multimedia resource centre and conversion of existing facilities to a dance studio. The member for Greenslopes would no doubt be very familiar with the redevelopment of Cavendish Road State High School, which is Australia's first school based bioscience complex and kinesiology laboratory. It is really something to see.

In addition to those total renewals, 25 schools were refurbished. That refurbishment targeted curriculum and support areas. In the area of the member for Gympie, the Noosa District State High School saw an extension to its student centre, farm sheds for its agricultural department and a refurbishment of classrooms and airconditioning to five computer labs. The program was expanded to include two amalgamations: the Earnshaw State College—which I referred to earlier—and the Spinifex State College in Mount Isa. That is the result of an amalgamation between Mount Isa State High School and Kalkadoon State High School. The \$141 million program plus the funds for the two amalgamations brought the total expenditure to \$156 million.

Part of the motivation, other than simply the need to upgrade these facilities, was a recognition that in some cases students and their parents were leaving state education because of the poor condition of those older state high schools, and I am pleased to report that parents are now voting with their feet. There has been strong enrolment growth in the majority of those schools that have experienced the program. In some cases the growth has been quite remarkable. At Southport State High School there has been a 46 per cent jump in enrolments between 1999 and 2003, and that was a school that was experiencing a significant decline.



Similarly, Redcliffe State High School reported an increase of 44 per cent and Cavendish Road State High School has seen an increase of 33 per cent.

According to the 2002 data, just over 87 per cent of students are staying on to complete year 12 in those schools that have experienced Secondary Schools Renewal, and that is about 11 per cent higher than the state average. On all indicators, you would have to say it has made a very positive difference to the lives of students and to the working conditions of our staff.

**The CHAIR:** The time allocated for questions by government members has expired.

**Ms BLIGH:** Prior to taking the next set of questions, I might take the opportunity to go through some of the questions that the member for Cunningham asked earlier. In relation to teachers allocated for growth in 2003, there were 290 teachers who began school at the beginning of this year, with a total growth in student numbers of 4,413. The predicted growth at this stage, which is outlined in the MPS, for 2004 will see a further 249 teachers in 2004 for a predicted student enrolment of 5,020. I should add to those figures that what is unknown at this stage is how many additional teachers may be needed for the students in the 5,020 who may need additional support because they are students with disabilities. That is something that will be refined both over the next six months and then post-enrolments in term 1 next year. So the 249 figure is a prediction, but it is a prediction that is unable to include with any degree of accuracy the number of students out of that 5,000 who may require additional teaching support because of ascertained disabilities.

**Mr COPELAND:** So that is the explanation for there being a higher increase in students but a lower predicted—

**Ms BLIGH:** That explains part of it. The 290 is actual, rather than predicted. We would expect to see some growth in the 249 but it is a bit difficult. That has been calculated just on the basis of straight numbers. But it is also the case that it depends where that growth falls. You can have an increased student enrolment in a school that can be absorbed without new teachers because there is already undersized classes; whereas in other areas you will need to allocate further teachers. Believe me, it is a very complex issue. I welcome you to my pain. I am happy to share it with you any time.

There was a question about revenue from employee housing and other miscellaneous matters. There has been no increase in employee housing rent since 23 September 1995. There is no intention for those rents to increase in the foreseeable future. In terms of other miscellaneous fees and charges, the main area of increase in revenue is from Education Queensland International. Between 2002-03 and 2003-04, Education Queensland International exceeded its target for revenue. That is revenue from fees from students coming into our schools.

**Mr COPELAND:** So it is only an increase in revenue, not in the fee itself?

**Ms BLIGH:** That is right. In relation to the career change program, I can confirm that all serving classroom teachers who left were replaced. There were some cases where teachers were already on some form of paid leave and who had already been replaced when they took the leave. So those teachers who were replacing them remained. In other cases, some were classified officers who were subsequently replaced by appointments. The net effect is that there has been a one-to-one replacement of all permanent staff who left as a result of the career change program, and the vast majority of teachers who left were replaced by graduates. However, it is the case that not every single teacher was replaced for a graduate. For example, where a principal or a deputy principal left the system, they were not replaced by a graduate. They were replaced by another senior officer, but the net effect was that that person who got the promotion may then have been replaced down the line with a graduate. I think that clarifies the points that you had.

**Mr COPELAND:** I think so.

**Ms BLIGH:** You had a question about any new school delays earlier this year. At Varsity the performing arts and sports building was completed on 11 April. The project was delayed due to considerable activity in the building industry and a shortage of subcontractors to finish, as I understand, the internal fit-out. That was a performing arts block, not a classroom block. So it did not inhibit any students starting school but it did delay the use of that block. At Bentley Park College in Cairns, stage 3, the second part of the performing arts block, was completed on 17 February, which I think was two weeks after the beginning of school. The home economics and refectory area were completed on 3 March, and the landscaping of one of the outdoor areas was not completed until 10 April. Basically, the contractor failed to meet the contract date and there is a claim for additional costs being assessed.

In addition to Varsity and Upper Coomera, the Bentley one is the only other one I would raise. I just want to clarify something I said earlier in relation to the wage rises. I think I said that the cleaners union had accepted 3.5 per cent. In fact, most cleaners fall into the category of staff for whom that 3.5 per cent would be under the minimum wage so they will be taking \$25 over 13 months.

**Mr COPELAND:** But that has been factored into the figures?

**Ms BLIGH:** Yes. The government offer is 3.5 or the basic minimum wage increase that has been awarded by the commission, whichever is the greater.

**Mr COPELAND:** Minister, just a further point regarding the teacher growth compared to the student numbers growth. You probably would not have the increase for 2001-02, which is just taking it back a year to track how that relationship sits regarding the other factors that may come into it and how great the difference may be between actual teacher numbers for growth and student growth.

**Ms BLIGH:** I am sure you will be shocked to know it is not engraved on my heart, but we can get it for you.

**Mr COPELAND:** That would be great, thank you. Minister, just moving on regarding the construction costs on which you have provided me with some information. You said it was your understanding that Education Queensland has not had any advice from Project Services at Public Works that states that EQ's requirements are costing projects up to 20 per cent more than what would normally be the case.

**Ms BLIGH:** My understanding is that the rate of variations across the whole building program—you will appreciate in some cases it is higher and in some it is lower—runs at about 10 per cent, plus or minus a little bit. I am advised that there have been some formal discussions about how to minimise the impact of one-off designs.

It used to be the case that if you were building a performing arts centre or a science block or a library at wherever it was, you got design 104 whether you were in Cairns, Gympie or Biloela. The Secondary Schools Renewal Program has represented a major shift from that where school communities are having the opportunity to design buildings and facilities that meet the needs of their community and are within the budget. Obviously it is much easier to deliver a uniform building that looks exactly the same. You can drive up and down the coast of Queensland and see that that is how it has been done.

My own view is that in every school community that has experienced the Secondary Schools Renewal Program the process has allowed them to align the education outcomes for their children and the educational vision they have for their school with their facilities. My view is that educational policy should drive capital, not the other way around, so I think it is a process that we should continue and that we should foster. But it is only a process that has been in place for the last three or four years so, unsurprisingly, there are a number of teething problems. I understand there are a number of discussions occurring at a senior officer level about how to minimise the time impact of individual designs. I am confident it will get worked through.

**Mr COPELAND:** I am sure those discussions will continue. Minister, moving on to relocatable buildings, which follows on from the explanation you have just given regarding the cost increases for some of those issues. In MPS 1-65, in the schools growth section of the capital acquisition statement, there is a note saying in part that it is the result of a significant increase in building costs. There is also a note that states that it is because the leasing of relocatable buildings did not proceed. Could you please explain how not leasing relocatable buildings increased the school growth costs?

**Ms BLIGH:** My recollection is that the 2002-03 budget was predicated on a program that would have seen QTC, the Queensland Treasury Corporation, effectively purchase the relocatable buildings and lease them back to Education Queensland as a way of giving us a capital injection and a revenue source for them. In fact, that did not occur. That is now reflected in this year's budget papers.

**Mr COPELAND:** So the leasing of buildings did not go ahead. The buildings that were intended to be leased—have they been leased through other sources or through other funds?

**Ms BLIGH:** No, the buildings were already there. It was a proposed accounting treatment that would have seen the existing relocatable buildings effectively sold as an asset to the Queensland Treasury Corporation.

**Mr COPELAND:** That would also explain why there is a change in the assets disposals costs.

**Ms BLIGH:** So they have been bought and acquired rather than leased.

**Mr COPELAND:** Minister, I want to move on to shared services. In the MPS under supplies and services, page 1-72, it provides an estimated \$40 million in cost savings expected to be realised from central office as stated in note 6. Can you please advise how that \$40 million is going to be saved out of central office?

**Ms BLIGH:** This is in relation to supplies and services as a category?

**Mr COPELAND:** That is correct.

**Ms BLIGH:** As you would be aware, there has been a program of voluntary early retirement across public servants within both central office and other non-teaching positions of the department. The corporate services support unit has seen a move of staff out of head office and into district office. Supplies and services go to a range of expenses. When a staff member leaves it is not just the wages that are no longer required. It is everything from accommodation at the desk, travel, computers and in some cases vehicle use. So there is an operational saving that is generated when there is a reduction in staffing costs, not only a salary saving.

**Mr COPELAND:** Without detailing all the costs, because obviously there are a lot of on-costs, how many people would you expect that that will entail to save \$40 million?

**Ms BLIGH:** I can tell you how many people have already taken up the program, so we expect to realise the savings in this year. I will get you the exact number. These are people who have already taken up, under the Workforce Renewal Program, the voluntary early retirements in the Public Service. The total head count was 224. That equates to 176.72 full-time equivalents. That accounts for some of the savings. There are also a range of other areas of expenditure in central office that you would expect, or I would expect.

I need to add to that that an additional 25 employees have accepted offers subsequent to the finalisation of round 2. I cannot tell you at this stage whether that 25 are full-time or part-time in terms of whether they add to the FTEs, but I can get back to you.

**Mr COPELAND:** Would these 25 be included in the \$40 million or would that be in addition to the \$40 million?

**Ms BLIGH:** No, these are people who have already gone. I am not suggesting that it is the operational costs associated with all of those staff that will be the complete \$40 million. I am saying that is one of the major saving areas. We have an obligation to make sure that we continue to drive efficiencies in both the head office and in other areas. There is a very limited capacity for generating savings and efficiencies in both the head office and in other areas. There are very limited capacities for generating savings and efficiencies at school level. This is an estimate, but what we would be looking at is saving funds in areas such as consultancies, travel, electricity—areas where I could expect there to be constant review of our expenditure. In a big head office they grow very easily and it is about reining them in from time to time.

In terms of central office Public Service FTE staffing, by way of trend the figures I gave you were part of a specific VER program but other things happen for people to move out to a district office or back into classrooms. In 2001-02 the budgeted positions in head office were 927. The anticipated staffing levels as at 1 July 2003 are 851.2. There is a downward trend that we would expect to continue.

You have seen that the employee expenses area has grown. We have discussed that already, but that downward trend in head office staffing is matched by a significant upward trend in the employment of teachers, relief teachers and teacher aides. That is direct service delivery in our classrooms, which is the priority.

**Mr COPELAND:** Over those two years, on the figures that you have given, that is approximately 76 decrease net, but 200 that have taken VERs. So there have been a number of people who have been put in new positions.

**Ms BLIGH:** Yes, there is also growth in some areas.

**Mr COPELAND:** I will assume there will not be any change to the payroll section, because there have been a few problems in there. I guess that they will stay as they are.

Minister, going to land sales, note 2 on page 1-79 details increased receivables resulting from a number of sources, including the finalisation of the sale of schools. Which schools were included in that and how much were each of them sold for, do you know? It is probably too much detail.

**Ms BLIGH:** You understand that is too much detail. My understanding is that category includes both land that was purchased some time ago for a school that never went ahead and in some cases schools that have closed. In 2002-03 the most significant land and property sales include—and I can get you a total, but just so you get a sense of the most significant sales—the Bracken Ridge South State School site, which was sold for \$1.4 million. If they are a site then they never had a school on them. They were originally purchased for a potential school where the population, for one reason or another, did not eventuate. There is the Chuwar State High School site, \$400,000; the Low Incident Support Centre at Annerley, \$3.7 million; and the Rothwell State School site at \$1.7 million. The proceeds from that were reinvested into the capital works program. As I said, if you want a list of every property and its sale value, we are happy to provide that, but you will appreciate that it is not available in that level of detail.

**Mr COPELAND:** Minister, I refer to the department's overall operations result of a deficit of \$61.6 million. One of the explanatory notes was that there was an increase in the workers compensation premium. Could you please detail what that increase in the premium was? Obviously, generally, workers compensation premiums are based on claims history, what the increasing claims are and what areas the claims were for.

**Ms BLIGH:** I thank the member for the question. There has been, as you would expect with a growth in staffing, a growth in the number of staff who experience the need for workers compensation from time to time. If I can just give you a bit of background.

I need to say that the WorkCover claim data for 2002-03 is currently incomplete, so the last verified year I can give you is 2001-02. There were 261 claims in the area of stress. I need to say that stress claims make up one of the most significant areas. That is not surprising in an area that is dominated by white-collar workers. This is not work, as in some industries, where workers are exposed to high levels of physical injury.

As I understand it, the bulk of claims are in the stress related areas. That represented an increase from 2001-02 of two per cent on the year before, whereas in 2000-01 there had been an increase of 34 per cent. The statutory costs in 2001-02 were \$2.962 million. While it is growing, I have to say that in 2001-02 we had a very significant decrease in the growth. It is an area that is difficult to manage and it is an area that we are very committed to bringing down.

We are working with the Department of Industrial Relations and have put in place a number of programs that include things such as a 12-month intensive rehabilitation case management pilot program, a 12-month pilot of an additional 10 rehabilitation case managers across the state and an efficiency review of the employee assistance service. It is not unusual in areas of direct service delivery that involve people to see this sort of pattern, but it is something that I am concerned about. We are certainly looking at trying to drive that down. The data indicates that we are having some success.

**Mr COPELAND:** I appreciate that 2002-03 has not been finalised. Is there any indication —

**Ms BLIGH:** We understand that the WorkCover premium payable by Education Queensland is forecast to decrease by approximately \$6.4 million. It is managed by WorkCover, so we need to actually verify the data.

**Mr COPELAND:** Minister, in your answer to estimates' question on notice No. 11 you advise that there are 13 officers on leave while the subject of disciplinary investigation, of which seven have been longer than six months. Could you advise what the status of those investigations is and when you are expecting completion of them to be?

**Ms BLIGH:** I am just taking some advice. In general terms, where you see a long period of time like that then it is the case that this is a matter that has been investigated either by the CMC or by the CMC in conjunction with the department. Without going into their names, I can give you a little bit of the status in each of the cases.

For example, the status of one is that we are awaiting a response to a show cause letter. For it to get to a show cause process means that there has been a substantial investigation and there has been evidence the person has had natural justice entitlements to respond to the allegations and the evidence and it has now got to the point that a show cause letter has been faxed about why the person should not face some disciplinary charges. In another case an investigation is being considered. That is after an investigation by the CMC. A CMC investigation is currently occurring in basically all of these cases. A couple of them are pending police investigations and possible prosecutions for matters that are very serious.

There is one here basically saying their termination is effective from 3 July, so they may not have shown up in that seven. The question that you asked was as at 30 June. There was one of those terminated on 3 July, post the question. But there may now be other people who have fallen into the six-month category. In general terms, where you see a period of that length you are talking about a CMC and/or police investigation into a matter that is very serious; a person is stood aside on pay unless they plead guilty straight up. Obviously, in these cases they do not. But given the seriousness of the charge, you have to go through the investigation process and the Public Service requirements that they be afforded natural justice.

**The CHAIR:** We allowed a little bit of leeway there, but I have no doubt that the member for Cunningham is grateful for that. The time allocated for questions by non-government members has expired. I call the member for Greenslopes.

**Mr FENLON:** Page 1-23 of the MPS mentions the Triple R maintenance program, of which some of my schools are proud recipients in this budget. What effect has the government initiative had on Queensland schools and how many schools will have benefited from the program by the end of 2004?

**Ms BLIGH:** We have had a number of questions this afternoon in relation to the depreciation in value of our schools, and we need to continually upgrade and maintain the stock. That is no mean feat, particularly across a state like Queensland, where they often face very harsh weather conditions as well as the wear and tear of thousands of small feet and the other challenges to the program. The government made an election commitment to a program called Triple R, which is repainting, reroofing and reticulation. It was a \$50 million program over three years to work towards ensuring the preservation and restoration of the asset base. In the first year 281 projects have benefited some 230 schools. The second year saw another 395 projects benefit 341 schools. I have approved 389 projects in this year's budget to benefit 354 schools. The benefits have fallen to schools in every electorate over the life of the program. I will cite some of the schools of members on the panel by way of example. In Gympie we saw more than half a million dollars going into those areas of schools; in Cunningham, \$382,000; in the seat of Nicklin, \$570,000; in Greenslopes, \$356,000; \$597,000 in Whitsunday; \$874,000 in Ipswich; and \$215,000 in Kawana. You can see from those that the electorates that have some of our oldest schools obviously have seen significantly higher investment because they are much more likely to be in need of reroofing or repainting and have some entrenched drainage problems. By the end of the 2003-04 financial year, nearly two-thirds of state schools will have had some benefit from the program.

**Ms NOLAN:** I note that page 1-10 of the MPS mentions a program for electrical upgrades in schools. Is there a particular reason that in 2003-04 schools will require such large expenditure devoted to electrical upgrades?

**Ms BLIGH:** The Queensland school population is continuing to grow, as I outlined earlier. Most of the existing infrastructure in our schools was built before information and communication technologies became part of the learning environment. The government is determined to facilitate the involvement of our schools in the Smart State initiatives, and ICT is one of them. Obviously, we need smart classrooms. We are committed to a massive technology program, but that program needs to be driven by electricity. We need to be able to provide updated power infrastructure to facilitate the program.

We have already identified 35 schools, and work is due to be completed in September 2003 on those schools. These 35 schools will see a significant electrical upgrade to allow them to incorporate the computers that are arriving on their doorstep. Stage 1 of the program has seen an audit in 260 schools with them receiving a significant number of computers, and that is currently being undertaken. As I said, upgrades will commence this month. Stage 2 will see an audit of schools receiving smaller numbers of computers to commence this month as well. The cost of the upgrades obviously will vary from school to school—anything from \$4,000 in some cases to \$400,000. It is a very big investment for the wires that nobody ever sees, but without them nothing else is actually going to go forward. The program, we trust, will ensure that schools are resourced to deliver education supported by ICTs that are used as tools for everyday learning. This is an essential threshold issue.

**Ms JARRATT:** As a 1998 election promise the Beattie government has promoted the Cooler Schools program. I would like to confirm the enormous difference that this program has made in comfort levels for both teachers and students and indeed the difference it has made to learning outcomes in schools right across my department and many others in north Queensland. I understand this program was a five-year initiative for both state and non-state schools in the

identified Cooler Schools zone. It was therefore due to finish as at June this year, but I note in the MPS at page 1-10 funding allocated to the program for the 2003-04 year. Can you tell the committee whether the program has been successful and why further funding has been allocated in this financial year?

**Ms BLIGH:** I am pleased to advise that the Cooler Schools program has been an outstanding success. I can affirm her comments about the difference that it has made in schools and the effect it has on learning. In 1998 the government substantially extended the program that had been put in place by the former Borbidge government that extended the eligible school zone and increased the government subsidy to P&Cs from a two to one subsidy to a four to one subsidy. Not surprisingly, that opened participation to schools that could not have accessed it under the previous guidelines; the cost of P&C involvement was too high. Electrical upgrades and airconditioning of resource centres of all state schools in the zone has now occurred at full state cost. In September 2002 the government extended the program past the projected finish date to allow schools in the zone to seek additional assistance.

Basically, it was scheduled to finish at the end of this financial year but it was absolutely clear that, despite all of the funds allocated to it being spent, there were still a number of classrooms in many schools that had yet to be airconditioned. A number of P&Cs had raised the required funds for their contribution. So the government allocated an additional \$17 million and \$1.7 million to non-government schools to allow those additional schools to undertake airconditioning, and 99 state schools applied. Rather than apply criteria that would have seen some schools miss out—because with 99 applying we could not fund them all—we had to increase that \$17 million by an additional \$10 million and an extra \$1 million to non-government schools. All eligible applicants have been successful. The total cost of airconditioning state schools in the zone to date has been \$152 million and has seen almost 500 projects completed.

There are currently 391 eligible state schools in the zone. Some 386 will have had assistance at the completion of the current program. Funding to non-state schools for airconditioning for schools in the zone is administered separately by the Queensland Catholic Capital Assistance Authority and the Independent Schools of Queensland Block Grant Authority. There are 34 independent schools in the zone and 27 have received assistance. The other seven have never applied. There are 78 Catholic schools in the zone and 76 have received assistance and two have yet to apply. The funds provided to the non-state sector are about \$16.18 million, with approximately 78 per cent going to Catholic and 22 per cent to independent schools. It has been an outstanding program. It is enormously popular. It has been a challenge for government to keep up with it and to keep up with the enthusiasm that P&Cs have for raising money to access the subsidy. But given the outcomes it is something we are very pleased to be able to invest in.

**Ms JARRATT:** I am aware of your support for children in our system who have a disability. At page 1-8 of the MPS it mentions some of the initiatives that your portfolio will undertake to support these students and their families. Can you provide further information to the committee on what the size of this cohort of students is and how these other initiatives will make schooling a more rewarding experience for these students?

**Ms BLIGH:** I would like to take the opportunity this afternoon to acknowledge the excellent work that both our teaching and non-staff teaching staff do to make sure that the needs of students with disabilities are not only accommodated in our classrooms but that the experiences that they have are positive educational experiences. There has been a substantial increase in the number of students ascertained over the past five years. It has grown from 8,920 in 1999 to 13,491 in 2003, which is a 50 per cent increase on the 1999 figure. That has had a significant effect on the investment in additional resources to that cohort of children.

The current projection for 2004 is 13,605, but that is just a projection and needs to be confirmed. On average, students with disabilities receive funds at three times the average level of their primary peers. In 2003-04 some \$11 million will be provided to assist with an additional 60 teachers, and that will grow to \$16.5 million in 2004-05 and \$22 million in 2005-06 in state schools. Students with a disability obviously need special facilities. There are 47 special schools, 288 special education units, 139 special education classes and 34 special education development units.

As I outlined earlier in answering a question to the member for Nicklin, our building stock does not in all cases lend itself to the support of children with special needs. In addition to the investment in teachers for students with special needs and teacher aides we have this year allocated a dedicated \$50 million capital works program over five years to upgrade our stock to ensure that the physical needs of those children will be accommodated.

**Ms JARRATT:** You have mentioned the five-year \$50 million capital works program, which I note is also mentioned in the MPS at page 1-8. How was this program arrived at and how many schools do you plan to assist in the first year?

**Ms BLIGH:** In February 2002 I made a ministerial statement outlining a seven-point plan of action for students with disabilities in our schooling system. One aspect of that seven-point plan was the five-year capital works program. I hope that it will actually put Education Queensland on the front foot in providing for the needs of these students rather than constantly playing catch-up because these projects do not seem to rise to the top in the normal competitive process.

The process used to conduct the program was based on a trial in the Murrumba district in 2002. The five-year plan will involve consultation with corporate service units facilities managers, the school and district personnel as well as an analysis of demographic and local government data. Education Queensland officers will conduct specific audits of every site. There is a plan this year at a cost of \$8.2 million to assist 45 schools to upgrade their facilities, but we anticipate that we will be able to undertake more than 200 projects over the five-year period. No doubt there will always be claims we cannot meet, but this does put us a long way ahead of the previous way of meeting these needs.

**Ms JARRATT:** I want to continue on the theme of support for students with disabilities. You have made reference to the students with disabilities seven-point plan. I note this is also mentioned in the MPS at page 1-44. Could you please provide the committee with an update on this initiative?

**Ms BLIGH:** The seven-point plan was designed to address a number of areas of service delivery and to challenge ourselves to ensure that our current service provision matched the expectations of students and their families. To that end, there were a number of initiatives. The first recognised that no-one is the font of all wisdom on this difficult and complex task and we needed to perhaps bring people from outside the agency with other perspectives into the process. I established a ministerial task force on inclusive education. Twenty-six members comprise that ministerial task force and it has met 10 times. A further four meetings are scheduled for later this year. It does bring significant stakeholders, including parents and community representatives, into the thinking of the agency.

That task force has really applied itself to some very important work including the second point of the plan, which was the development of an action plan to improve the services for students with disability. The first draft of that plan has been developed and is currently under some consideration. Point three of the plan was to hold a summit on inclusive education that would inform the action plan. That was held in May and has informed the formation of the action plan.

The fourth point was the establishment of the staff college on inclusive education. That was a recognition that, while we have very committed staff, many of them undertook their original degrees at a time when the inclusion of children with these special needs was not part of the predicted work that they would be doing during their careers. The need for constant in-service training on this area was recognised with the establishment of that college. It has undertaken a number of professional development programs. The fifth point was the five-year capital works program, which I have mentioned already.

The sixth point of the plan was commitment to trial a certificate in post compulsory education. This has been an outstanding success and does provide specific recognition of the learning of students with disability. The last point of the plan was the realignment of the students with disability section of Education Queensland to promote inclusive education in our schools. To improve the effectiveness and efficiency functions of what was known as the 'low incidence unit' it has been moved to the appropriate area of responsibility within Education Queensland, and some staff have been resituated in district offices to improve local support. As I said earlier, this is a very complex area. While we are very committed to it, we accept that we have some way to go. But this plan has been delivering on a better deal.

**Ms JARRATT:** Finally, you just mentioned the certificate of post compulsory school education. It is also mentioned on page 1-8 of the MPS. Can you please give the committee further information about this initiative ?

**Ms BLIGH:** This was actually an issue raised with me by a parent within my first week of becoming Minister for Education. It was a parent of a child with a disability who also had other children in the system. All of her other children were able to access a senior certificate that not only acknowledged their academic achievement, but in some ways marked a right of passage

and was symbolic recognition of their 12 years of learning. This parent felt very strongly that all of her children should have some appropriate version of that certification process.

This had been around for some time and I am very pleased to report that the Queensland Studies Authority undertook a trial of it last year. Until then there had been no formal recognition of the 12 years of education that students with disabilities undertake. Many of them, because of the nature of their disabilities, are unable to enrol in what were then known as board subjects or other areas.

The QSA has developed a new certificate that captures and records many of the learning achievements of students in this category. I have to say it is an Australian first and I think that the system can feel very proud of the work they have done to get to this stage. It is, as I said, both an important symbol for students and their families. It was important that it be more than a symbol; it was important that it be a valuable document for prospective employers. This goes some way to the question that was asked earlier by the member for Nicklin. I just show you a sample of the senior certificate. It is a document that by its very appearance has status. It is issued by the Queensland Studies Authority. A lot of work has gone into statements of achievement and describing the achievement of young people in a way that is meaningful for a prospective employer who can actually see in a number of quite important areas the capabilities of a young person who may have certain disabilities but who also has a number of abilities that would be very valuable in a number of employment contexts.

As I said, it bears the identical markings of a senior certificate. In December last year 174 students from 63 schools were awarded the certificate. The trial has expanded this year and almost twice as many students will be taking part, which involves 350 students in 93 schools, including 15 non-government schools. There are approximately 3,000 students eligible for the certificate and the QSA is currently evaluating the trial. I think it has been a very important recognition of the legitimate place of students with disabilities in our system and the important human right they have to a recognition of their abilities as much as their disabilities.

**The CHAIR:** There are approximately 20 minutes remaining in this session of the hearing. Under the sessional orders this will be divided equally between government and non-government members.

**Mr COPELAND:** I want to move on to the education training reforms which you have spoken about previously. There are some concerns being voiced about how it is going to be delivered. One of the concerns is the cost implications, both capital costs and delivery costs. What are the forward estimates of what it is going to cost Education Queensland for providing space at the schools? The school transport assistance scheme, which does not come under Education Queensland, is obviously going to be a cost that is incurred. What are the forward estimates for those costs?

**Ms BLIGH:** You will appreciate that in all areas there is very significant investments with some very complex factors. When cabinet agreed to pursue a trial of the prep year and to endorse the education reforms at the end of the senior years it was done on the costings, which included a range of assumptions. But in general terms at this stage it is not included in the formal estimates because there has not been a formal decision about what year the prep year will be started in. While it has been made clear that it will not start before 2006, cabinet is yet to make a firm and final decision on which year it will start. Cabinet has also made a decision to allocate the lion's share of the anticipated growth in GST revenue in the out-years from 2006 to funding this project.

At this stage we anticipate that the total capital program for the prep year would be in the vicinity of \$200 million. Obviously that has to be verified and there would be an audit process over the next 12 months in both the state and non-state sectors to verify that. I would be very surprised if it is exactly that, but it will be in the order of \$200 million. That is based on a certain range of assumptions about accommodating that group of children. Of course they do not fall neatly in evenly spaced bundles and that will have some effect. In that process schools will be expected to utilise any existing capacity, but we understand that the majority of schools will not have any spare capacity in both state and non-state sectors and there will be approximately \$100 million of ongoing recurrent funds to fund the staffing and operational costs associated with taking that cohort from half-time to a full-time cohort.

In terms of the other end of schooling, at this stage there is still a lot of refinement to do. Unlike the prep year, where you can anticipate that from the moment you make it available, it is reasonable to cost it on the assumption that you would get more than a 98 per cent take-up rate;



we do not expect to see necessarily the same one-year effect at the other end. Those costs have been put over a number of financial years—I think it was two or maybe three financial years. I am not sure if you have the document in front of you because I have not memorised it.

Included in those assumptions in relation to the senior years of schooling has been a set of assumptions about the costs of the enrolment growth in terms of teaching and other related resources, the operational funds to schools that would be associated with that enrolment growth, as well as certain assumptions about the number of those children who are likely to have needs for disabilities support, transport assistance and other related costs. They are not in the forward estimates as I have outlined because at this stage the legislation has not been passed, et cetera. The predicted prep dollars have been out in the public arena. That is what we predict it will cost, but that all has to be verified. We anticipate that the senior reforms will see a growth in enrolments consistent with those assumptions.

**Mr COPELAND:** As you say, at the other end, one of the real concerns with the older students will be equity of access, especially for those people who only have a P-10 school, for example. I know you have provided an answer in a previous question on notice that there are 57 P-10 schools. In the MPS there is a reference to enhancing ICT support for distance ed students as part of the strategy to address some of those equity issues. In the MPS also it says that only 30.6 per cent of year 10 students in schools of distance ed achieve a sound or above in four or more subjects. This is 10 per cent below the target and compares with the state average of 82.3 per cent. I note that in the explanatory note No. 6 on page 1-48 it states that it is affected by a range of factors.

**Ms BLIGH:** Including part-time enrolment.

**Mr COPELAND:** And that particular measure is not going to be used anymore. What measure is going to be used to make sure that those students who are accessing through distance ed are getting an equitable education, particularly if we are going to be raising the age limit for those people who are doing it?

**Ms BLIGH:** I have not finalised the measure for next year's MPS but we are trying to find a measure that is meaningful. People regard me as measurement obsessive, so you can rest assured that there will be something that meaningfully measures it. In relation to a figure for students enrolled in distance ed, as you will appreciate, many of the students enrolled in distance ed face a number of hurdles in their lives that are not just about remoteness. Many of those enrolments are students who are enrolled part-time for one reason or another. If you are actually only enrolled in two subjects it is very hard to get a sound achievement in four subjects. It does not give us a realistic picture. I want to know whether you are enrolled in one subject or two subjects and are you achieving at the same sort of level that we could expect you would achieve if you were in another educational setting. I do not have the final measure, but that is what we will be measuring and we will be reporting it because I think it is important.

I guess there is a whole range of things happening in distance education, and I am sure the member is aware of some of them. Certainly the move from HF radio to telephone teaching and then hopefully we will move very quickly from the telephone technology to digitisation of resources and the full utilisation of the information and communication technology. I think that will make a significant difference to the outcomes for students in that category. If you look at the reported performance in schools of distance Ed for children in the years 3, 5 and 7 literacy and numeracy tests you will see that they are equal to or better than their mainstream school counterpart. So that I think is very encouraging.

**Mr COPELAND:** The ICT obviously does open up a lot of potential but it also places some limitations such as the uploading of digital content on broadband.

**Ms BLIGH:** If you want to join with me in a united front against the Commonwealth on the access to bandwidth—because that is what that is about—I would be very happy to have you on the team. They are about to sell off Telstra. Now is the chance before they sell the farm to get a little bit of it. I have actually put a proposal to the Commonwealth regarding those families who are enrolled in schools of distance education but live outside the extended zone and therefore are not able to access the benefits that the Commonwealth makes available to those in the extended zone—that is the satellite infrastructure and the subsidised costs. If you happen to live outside the zone you do not get access to any of it. I have put to the Commonwealth that we are talking about a very small group of people whose children are enrolled in a school of distance education. If they could access that package then there is no point having the package that the state is contributing in terms of the subsidised computers, the free software, et cetera, if you do

not have the satellite or the bandwidth. It really has to be the two parties coming together. As I said, if you want to put Richard Alston up against a wall and rough him up I would be happy to—

**Mr COPELAND:** There might be all sorts of things happening there. MPS page 1-73 refers to the P&C contributions—and again, it is referred to a number of times—saying that the contribution from P&Cs has increased. What has been the quantum of that increase and what has been the reason for it?

**Ms BLIGH:** Sorry, the page you are referring to?

**Mr COPELAND:** It is on 1-73 but there are a number of references to it throughout the document. It is the increase in contributions by P&Cs.

**Ms BLIGH:** That refers to the funds that are raised by P&Cs to contribute to their schools. As you see a growth in schools you will see a growth in general terms—more parents, they raise more money. There has been continued growth in P&C donations over a number of years. The predicted growth to 2003-04 is about 9.6 per cent. In the last financial year it was actually 22 per cent.

Traditionally, the department has underestimated in the budget and the ledgers the amount of funds raised and donated by P&Cs until 2001-02 when at that time an attempt was made to show the realistic figures. There has been a number of reasons that I cannot necessarily explain. There has been a very concerted effort by P&Cs in some areas around computers as there have been more dollars made available for government computers. There has been a dedicated program in some schools to match that. Cooler Schools has been a very big component of that. When there is an incentive to raise funds for a particular purpose, if the government says, 'We will match you \$4 for every \$1' it is a bit of an incentive to go out and raise more money. I would like to think that it also represents a growing interest by the community in the activities of their schools. I think it is probably a bit of all of those.

There are also funds that have come in from regular activities such as community spaces that they rent out—sports areas, pools. But I want to absolutely stress at this point that this is not done at the request of government. These are funds that P&Cs voluntarily decide to raise for the extras that would never be provided in a standard provision.

**The CHAIR:** The time allocated for questions by non-government members has expired.

**Ms NOLAN:** I want to ask about indigenous education. Page 1-20 of the MPS refers to Spinifex State College and Western Cape College within the context of Aboriginal and Torres Strait Islander education. Would you tell the committee what outcomes you expect as a result of the establishment of these colleges?

**Ms BLIGH:** I thank the member for the question and I am very pleased to have an opportunity to talk about these colleges, because I think that they represent some very exciting shifts in thinking that will make a big difference to students in these areas. While neither of these colleges are located specifically in indigenous communities, they both have very high enrolments of indigenous students and they both service areas which have indigenous communities within driving distance. Spinifex State College opened in term 1 this year. It is the result of a partnership between Education Queensland and the Department of Employment and Training.

In essence, it sees the amalgamation of two state high schools in Mount Isa. One high school is now the junior high and the other is the senior high. Both of those high schools were experiencing reducing enrolments and their ability to offer a quality program and a breadth of subjects was diminishing. The school that has become the senior school is co-located right next door to the TAFE. So the TAFE is now a campus of Spinifex State College, which I am sure you will appreciate has required some challenging bureaucratic processes. But the director of Spinifex State College is now responsible for all of those three campuses.

It has also seen the provision of \$2.8 million to purchase and convert a private facility that was a private nursing facility into a residential campus that is another part of the college. The residential campus is owned and operated by the government and it provides the opportunity for students from outlying areas such as Mornington Island and Doomadgee as well as cattle properties and others who would otherwise have had to go to Brisbane or Townsville to access boarding school accommodation or who in many cases just would not have left that area. Many of those students were at risk of not completing school. There are 30 students currently enrolled. There are 20 on the waiting list. Most of them are from very small communities without any high school and come from as far away as Mornington Island. The residence is staffed and operates

homework classes as well as individual reading classes and the normal sort of recreational activities. So I think that it offers a lot to students in that whole district.

Western Cape College, similarly, is an amalgamation of what was once four separate schools—Aurukun, Mapoon, Napranum and Weipa. Weipa has seen an upgrading as well of a residential campus in Weipa and that has seen an improvement in attendance participation and outcomes. The state government contributed \$100,000 for the upgrade of that residence because it is a Comalco owned hostel and Comalco also contributed. In 2004 it is anticipated that there will be 32 students from Aurukun and Mapoon living at Weipa and accessing high school. It has seen a partnership between Aurukun, Napranum and Mapoon councils, TAFE, the college and Comalco to provide both educational and some significant training opportunities. The focus is on improving student attendance. Since the amalgamation, there has been a consistently higher attendance rate comparable with other schools around the state in each of those indigenous communities, which is very good news.

**The CHAIR:** I refer to page 1-20 of the MPS on which the Boys Gender and Schooling web site is mentioned as an example of EQ working to support students at educational risk. Could you advise the committee of the benefit of the web site?

**Ms BLIGH:** I thank the member for the question. The Boys Gender and Schooling web site is part of the department's boys education strategy. It is designed to help Queensland schools and those who work in them in their work to improve educational outcomes for boys by becoming more aware of gender as a factor that might be influencing achievement for these boys. The web site provides school communities with professional development activities and examples of best practice activities which have worked at other schools. Often it is a question of making sure that those schools, which have undertaken some interesting and innovative projects, are able to share them.

However, the web site rejects the notion that all boys are doing badly at school and tries to avoid a boys versus girls approach. Instead it attempts to provide accurate data and research on the achievements of boys and girls and users are encouraged to examine factors behind the debate around boys' education and recognise the achievement of diverse groups of boys. For example, in Queensland more boys than girls get the highest OP possible—that is, OP1—even though about 10 per cent of more girls than boys do year 12. So the web site tries to focus on which boys need the additional attention. It is recognised that boys generally perform worse than girls in school based literacies and are less likely to remain at school until year 12. The web site will enhance the work of school communities by providing them with up-to-date data on boys' achievements and participation and key issues in relation to boys' attitudes, their health and wellbeing as well as literacy and behaviour.

**The CHAIR:** On page 1-11 of the MPS it shows that one of the key challenges of your portfolio is the impact of increased interstate migration, especially to areas such as the Sunshine Coast where we see a booming population. This also outlines the need to provide appropriate education services for this and other student cohorts. Can you advise the committee of what actions you are taking to address this challenge?

**Ms BLIGH:** I thank the member for the question. Indeed, you are right. Approximately 414,000 children and young people aged 15 to 19—so in the general school-aged cohort—moved between states and territories in the 10-year period 1991 to 2001 according to census figures. I do not have to tell people from the Sunshine Coast that Queensland is one of the key destinations for interstate migration. In fact, Queensland is the only state that currently has student growth in both primary and secondary enrolments.

In response to the trend and the need to support those students, at the ministerial council of education and training ministers last year Queensland sought and gained unanimous support from ministers to do an audit and assess the current consistency of curriculum outcomes across the nation and develop a proposal that would facilitate greater consistency. If you talk to teachers and schools about accommodating those students across jurisdictions and making sure that they are settled in classrooms, it is a constantly challenging role because of the different starting ages and the different curriculum that occurs in each jurisdiction.

Education Queensland plays a leading role in developing the proposal that was unanimously supported by state and territory ministers and the Commonwealth at last week's MCEETYA meeting in Perth. I think what parents want is to be assured that at critical junctures of schooling there is broad consistency across Australia about what it is that children are expected to know and to be able to do and they want to minimise the disruption if their family has to move between

states. Accordingly, ministers decided to develop statements of learning in the domains of English, mathematics, science and civics and citizenship. This is not seen as an exhaustive list but a good place to start, because it is quite a lengthy and complex project. The process will start with English and the statements of learning will articulate the knowledge, skills and capabilities important in those domains and define a range of essential skills across them such as literacy and the use of ICTs.

When developed, those statements of learning will inform, guide and shape the development of curriculum and syllabus documents in each state and territory. You will appreciate that, in any given time, each jurisdiction is at a different stage of their curriculum renewal program. Queensland is just about finished its roll-out of all of the syllabus material in KLA's. New South Wales has just had a massive eight-year program of renewing its curriculum. So it is not intended to override all of those but to wait for when the next renewal and updating cycle occurs and then the newly developed consistent statements of learning will inform those cycles.

So over a period of time we hope to evolve into a system that is more consistent rather than less consistent. But I do stress that this is not about national uniformity or an attempt in any way to impose rigid requirements that would see the great innovation that happens in our classrooms and the flexibility that our teachers need to continue in any way reduced. So we are trying to steer a careful path between uniformity and consistency and I think it is in the interests of our children that we continue to do that.

**Mr FENLON:** The government has made it very clear that it supports all Queensland students completing 12 years of education. Has this government's support for more education translated to more students accessing their entitlement?

**Ms BLIGH:** I thank the honourable member for the question. The future of all Queensland students depends on their ability to complete education and continue to other qualifications. As we have talked about earlier today, the government has released our vision for improving the number of young people who continue on into either 12 years of schooling or some equivalent in the training sector. I am pleased to advise that there has already been a very positive trend since QSE 2010 identified this as a serious issue for the education system.

In 1998 the apparent retention rate, that is the number of students going from year 8 and continuing into year 12, in Queensland stood at around 71.7 per cent. In 2002 it had risen to 76.5 per cent. That means that the current figures are higher than the national average, which is at 69.5 per cent and higher than rates in both Victoria and well ahead of New South Wales, which stands at 63.8 per cent. We think that a five per cent increase since the Beattie government came to power is a very significant achievement and one which I congratulate our teachers and our schools on achieving. I think that it proves that if you really focus on something you can make a difference, and we intend to continue to focus on this issue and to see those rates increase every year.

Can I just take this opportunity to clarify an answer that I gave earlier in relation to the national benchmark testing, I think in relation to a question asked by the member for Gympie, in which I said that the national benchmark testing in literacy and numeracy had been occurring for about four years. The testing commenced in 1999 in years 3 and 5 and it was extended to year 7 in 2001. So the data has been available in different ways in different year levels now for enough time for us to notice the differences. I just want to clarify again that, in terms of the questions asked by the member for Cunningham in relation to the increased revenues and miscellaneous fees and charges—I think that we settled this, but I wanted to put beyond doubt—this is not an increase in any of those charges but an increase in the revenue gained from them.

I think that in relation to the increased revenue through Education Queensland International, which is due to more students being attracted to Queensland, that is a very positive thing and we should applaud the efforts that those officers have made to surpass their targets. For example, in 2002-03 EQI fees realised were \$4 million and fees from AccessEd, which also commercialises intellectual property, achieved \$1 million. So I think that that is a very important achievement and I congratulate those officers. In fact, that is the majority of it rather than any significant increase in rents for teachers.

**The CHAIR:** Thank you. The time allotted for the consideration of the estimates of expenditure for the Department of Education has expired. Before dismissing the officers, could I remind you that the responses to the numerous questions taken on notice at this hearing are required to be returned to the committee by 9 a.m. on Wednesday, 23 July. If the agency is unable to meet this time frame, I would appreciate it if they would notify me and the deputy chair.

I thank the minister and her officers for their attendance. I also thank the members of the committee. I thank Hansard; the research staff, including the very capable research director; the catering staff and the parliamentary attendants for their valuable contributions to the estimates process. That concludes the committee's consideration.

**Ms BLIGH:** Can I just clarify, my understanding is that there is only one question on notice and that relates to a question to do with capital works completed in the primary education sector. The member for Cunningham sought information on every individual project, its budget and its actual cost and, I think, the time lines in relation to that.

**Mr COPELAND:** I think that is the only one outstanding.

**The CHAIR:** I withdraw the adjective 'numerous'. Numerous were obviously answered during the time. I lost track that there was —

**Ms BLIGH:** I just wanted to make sure that there was not any that we—

**Mr COPELAND:** I will check with Hansard, but I think that is it.

**Ms BLIGH:** That is the only one that we are aware of that still remains on notice. Can I also put on record my thanks to the committee for its consideration of the estimates of this portfolio and to the parliamentary staff who have assisted the work of the committee. Can I also take the opportunity to thank officers of Education Queensland. I know you will understand that this takes an enormous additional effort in addition to their core duties. Despite some misgivings expressed by members of the committee, I welcome their presence here to see the outcome of their labours and I hope that it has lived up to their expectations. Can I also thank the staff of my own ministerial office who have put a great deal of work into this.

**The CHAIR:** Thank you very much, Minister, and thank you, members. That concludes the committee's consideration of the matters referred to it by the parliament on 30 April 2003. I declare this public hearing closed. Please drive safely.

The committee adjourned at 6.14 p.m.